Victoria Legal Aid

Annual Report 2025–26

Access to justice for Victorians

Acknowledgement of Country

This report was written on the lands of the Wurundjeri people of the Kulin Nation. We acknowledge the Traditional Custodians of the lands across Victoria and pay respect to Elders past and present.

We recognise the continuing connection to Country, culture and identity and the importance of self-determination for creating better futures for First Peoples.



 Artwork: *Kinaway tar-wan* by Bitja (Dixon Patten Jnr)

Service snapshot

Over **464,000**[1] **services delivered** to people across Victoria.

Our clients

87,257[2] unique clients of legal services ⊕7%



More on page 4

Legal aid grants

43,471[3], grants of legal aid ⊕6%



More on page 7

Help at court

116,604[4] duty lawyer services ⊕7%



More on page 7

Pre-court services

6737 Help Before Court services for criminal matters ⊕11%

20,135 referrals accepted for family violence pre-court engagement ⊕4%

More on page 7

Legal Help phone line and webchat

127,984 information sessions ⊕6%

19,721 advice sessions ⊕16%

More on page 8

Family dispute resolution

915 dispute resolution conferences ⊕3%

79% settlement rate

More on page 8

Independent advocacy services

Independent Mental Health Advocacy

46,232 advocacy, self-advocacy support and debriefing services ⊖11%

72,750 information, referral and intake services ⊕11%

Independent Family Advocacy and Support

13,879 advocacy, self-advocacy support and debriefing services ⊕178%

8897 information, referral and intake services ⊕122%

More on page 9

Community legal education and information

13,816 education session participants ⊕27%

171,167 publications distributed ⊕0.4%

More on page 14

Percentage increases and decreases are in comparison to 2024–25 data.

1 This includes all services listed in this snapshot, plus other face-to-face information and advice services, legal aid grant extensions and court-ordered legal aid funding requests. It does not include visits to legal information content on our website or publications distributed.

2 A unique client is a person who accessed one or more of our legal services. This does not include: people for whom a client-lawyer relationship was not formed; people who received information via telephone, website, court or public counter; participants in community legal education sessions; clients from community legal centres; and clients of our independent non-legal advocacy services.

3 Includes grants provided to community legal centres (which are included in our Department Performance Statement reporting on page 10) and family violence services.

4 Includes services provided by community legal centres (which are not included in our Department Performance Statement reporting on page 10) and family violence services.

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Chairperson's declaration

In accordance with section 12N of the *Legal Aid Act 1978* (Vic) and provisions of the *Financial Management Act 1994* (Vic), I am pleased to present the Victoria Legal Aid Annual Report for the year ending 30 June 2026.



Llewellyn Prain
Chairperson

15 September 2026

01 About us

Our vision

Our vision is for a fair, just and inclusive society where people can get help with their legal problems and have a stronger voice in how laws and legal processes affect them.

Our purpose

To make a difference for clients and the community by helping to effectively address legal problems, supporting the coordination of a strong and dynamic legal assistance sector and working with partners to create fairer laws and systems.

Our values

Fairness

We are committed to fairness in society and to facilitating fair and equitable access to legal support.

Care

We care about our clients and the community and we approach our work with an awareness of the effects that trauma and discrimination can have. We treat each other with kindness and respect.

Courage

We approach our work with strength and confidence. We are guided by our values and what matters most to our clients and society.

Inclusion

We provide an inclusive environment for clients, staff and referral partners.

Our strategy

This annual report reflects our progress in delivering the final year of Strategy 26 – our strategic plan for 2022–26 – and our Corporate Plan 2025–26. Our strategy is founded on our Outcomes Framework, an eight-year view of the difference we want to make through our work.

Our functions

We are a statutory authority established under the *Legal Aid Act 1978* (Vic). Our objectives are to:

- provide legal aid in the most effective, economic and efficient manner
- make legal aid available at a reasonable cost and on an equitable basis across Victoria
- provide improved access to justice and legal remedies
- provide legal aid innovatively to minimise the need for individual legal services
- coordinate legal aid provision so it responds to community needs
- coordinate the provision of legal assistance information that responds to community needs.

More detail about our functions is available on our website and in the *Legal Aid Act 1978* (Vic).

02 Foreword

Over the past year, we were proud to deliver over 464,000 services to people across Victoria.

As a cornerstone of Victoria's justice system, we deliver essential legal services to the community every day. We help people understand their legal rights, navigate courts and tribunals and resolve their legal problems. We prioritise our limited resources to help those in greatest need.

We understand that complex social issues often underly legal ones. That's why we also deliver a range of non-legal services focused on helping people to understand and speak up for their rights.

This report highlights the impact of these services for the community. This is made possible by our collaboration with private practitioners, community legal centres and First Peoples legal services, which all play a crucial role in ensuring justice is accessible for as many Victorians as possible.



We understand that **complex social issues often underly legal ones**. That's why we also deliver a range of **non-legal services focused on helping people** to understand and speak up for their rights.

We thank the state and federal governments and the Victorian Legal Services Board and Commissioner for their continued strong support. This enables us to provide vital assistance to many tens of thousands of Victorians who would otherwise be unable to access help when they need it most.

Yet demand for our services still far outstrips available resources. Around 14% of the community lives below the poverty line, but only 8% of Victorians qualify for a grant of legal aid. Despite government investment, we can only meet a fraction of the legal aid need in the community.

While we received additional funding this year to support recent government initiatives, it is not enough to meet the sustained increase in demand from changes to bail and youth justice laws or to address our underlying funding shortfall. We therefore continue to draw on limited unallocated operating funds to avoid reducing services in the short term.

Serving our clients and community

We play a vital role in helping people navigate increasingly complex bail laws. Our services help people participate effectively in bail hearings, protecting their rights and helping identify and address the root causes of offending, preventing further harm. Changes to bail laws have restricted access to bail and are increasing the number of people held in custody. As a result, our average monthly remand duty lawyer services have increased by 70% for children and 30% for adults.

We also delivered 6737 Help Before Court services for criminal matters, helping over 6100 people prepare for court ahead of their hearing date. Compared with the duty lawyer service, Help Before Court leads to more matters being finalised and more diversionary outcomes, reducing court delay and the risk of reoffending. The adjournment rate was 37% compared to 88% for duty lawyer service, while 6% of Help Before Court clients received diversion, compared with 3% for the duty lawyer service.

This past year, we published a report highlighting the impact of the Victims Legal Service, delivered in partnership with First Peoples legal services and community legal centres. Between its establishment in March 2023 and January 2026, the service provided more than 12,000 services, helping victims of crime access financial assistance to support their recovery. In a sample of 25 finalised matters, the service secured more than $380,000 in financial assistance for victims of crime. We also welcomed the program's two-year funding extension in the 2026–27 Victorian Budget.

We have updated our child support guidelines, fees and early intervention means test, making it easier for private practitioners and community legal centres to help separated parents resolve child support matters early. We also launched a pilot to increase access to family law representation in areas of unmet legal need, funding six family lawyer positions across three community legal centres in the Wimmera, Goulburn Valley and Ovens Murray regions.

In 2025–26, we launched 1300 MOB VLA, a free, confidential and culturally safe legal helpline for First Peoples. Developed in partnership with the Victorian Aboriginal Legal Service (VALS) and Djirra, the helpline received more than 2700 calls since opening. Over 250 referrals were made to VALS and Djirra.

This year marked 10 years of the Independent Mental Health Advocacy (IMHA) service, which helps mental health consumers understand and exercise their rights when subject to compulsory treatment. Demand for IMHA support continues to grow, while fewer consumers are opting out of advocacy assistance under the 'opt-out' model introduced through the *Mental Health and Wellbeing Act 2022*.

Advocating for fairer laws and systems

The start of Treaty in Victoria marked a significant step towards addressing injustice experienced by First Peoples. We acknowledge the tireless advocacy of the First Peoples' Assembly of Victoria (Gellung Warl), Elders and other First Peoples leaders who made this possible. We also welcomed the final two reports of the Yoorrook Justice Commission and honour the First Peoples who shared their truths through Australia's first formal truth-telling process.

This past year, we highlighted the impact of changes to bail laws, including increased use of police cells and the disproportionate impact on First Peoples. We also called for a rethink of intervention orders against children, following our research showing an increase in the number of children needing legal assistance to respond to these orders.

Our strategic litigation delivered important outcomes for clients and the community. The Federal Court found our client, Tatiana Duarte, was discriminated against while pregnant, breastfeeding and caring for her newborn, reinforcing employers' obligations to properly consider parental leave and flexible work requests.

This past year, we **highlighted the impact of changes to bail laws, including increased use of police cells and the disproportionate impact on First Peoples**.

In another significant decision, the Federal Court rejected an appeal by the National Disability Insurance Agency seeking to narrow eligibility for the National Disability Insurance Scheme (NDIS). The ruling clarified that people with disability do not need to show that other services cannot meet their support needs before qualifying, removing a significant barrier to access.

A statewide service

In 2025–26, our Wodonga-based team transitioned to a standalone service, strengthening access to justice across the Ovens Murray region in response to growing demand for legal aid.

We also reopened our Barwon regional office in Geelong and our north-western suburbs office in Broadmeadows following upgrades to make these ageing facilities more accessible, inclusive and welcoming. The improvements increase our capacity to meet demand in these diverse and growing communities.

Our people and partners

This past year, Bill Jaboor completed his term as Chairperson of our Board after more than eight years of dedicated service. During his tenure, Bill led us through a period of significant growth and transformation. Llewellyn Prain succeeded Bill after serving as a Board member since July 2024. We thank Bill for his outstanding leadership and welcome Llewellyn to the role.

Robbie Campo also completed her term on the Board after nine years of valued service and we thank her for her significant contribution. During the year, we welcomed Christine Christian to the Board. Christine brings extensive experience from a distinguished 35-year career across the financial services, government and not-for-profit sectors.

We thank private practitioners, community legal centres, VALS, Djirra, the Federation of Community Legal Centres, the Law Institute of Victoria, the Victorian Bar, the Department of Justice and Community Safety, the Victorian Legal Services Board and Commissioner and many others for their important work and ongoing partnership. We also acknowledge the leadership and commitment of our Board, executives and senior leaders throughout the year.

Importantly, we recognise the extraordinary dedication of our staff, whose professionalism, compassion and expertise make our work possible every day. We remain committed to fostering a workplace that supports the wellbeing, diversity and inclusion of our people, ensuring we continue to be well placed to service the needs of the Victorian community.



Llewellyn Prain
Chairperson



Toby Hemming
Chief Executive Officer

03 Our clients

Our clients include a diverse range of people across Victoria. Many face complex legal problems and experience cultural barriers, discrimination, disability, mental health issues or social and geographic isolation. For many clients, these issues or experiences intersect and can compound. More than one descriptor is often appropriate for our clients.

Who our clients are

Women **38%**

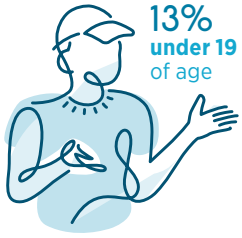
Men **61%**

Gender self-described **Under 1%**

Gender diverse **Under 1%**



8% identify as **First Peoples**



13% **under 19 years** of age



56% receiving some form of **government benefit**



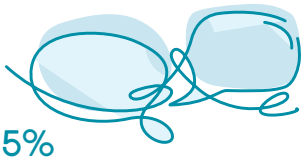
15% in **custody, detention** or **psychiatric care**



24% with **no income**[1]



36% disclosed having a **disability or mental health issue**



15% required the **assistance of an interpreter**



10% at **risk of homelessness**



20% living in **regional Victoria**



22% from **culturally and linguistically diverse** backgrounds[2]

These figures do not include clients seen by a private practitioner or who accessed information-only services.

1 Examples include children and young people, people experiencing homelessness, people in custody and immigration detention, and psychiatric patients.

2 Based on the Australian Bureau of Statistics definition of people from culturally and linguistically diverse backgrounds. Includes people who speak a language other than English at home and people who were born in a non-English speaking country.

What clients said about us

We ask our clients for feedback about our service in our annual client experience survey to help us better understand their experience and help us improve our work.

We received responses from 884 clients who are broadly representative across our service areas and programs. Overall, clients were positive about our services and interactions with our staff.

Access **78%**

found it easy to contact us when they first needed help

Outcomes **82%**

of clients whose legal problem was resolved said our help impacted positively on the outcome

Wellbeing **68%**

said they were less stressed after talking to their lawyer

Experience **85%**

said their lawyer treated them with respect

77%

said their lawyer helped them understand how to deal with their legal problem

Legal capability **77%**

were more confident to get legal help in the future if needed

Satisfaction **70%**

were satisfied overall with our service

80%

said they would recommend us to others

Client feedback

> [My] lawyer listened, **really sought to understand my situation and how the legal issue impacted me**. … Gave me lots of time and offered more follow up help than I expected.

> I felt **they went above and beyond when it came to dealing with me**. My mental state was awful … I don't have the words to actually explain **how amazing they were, absolutely 100% fantastic, caring, kind, understanding in every way**.

> The team responded promptly to my contact and **took the time to understand my case and represent me professionally**.

> My legal options were **explained in a way I could understand**, which helped reduce stress and uncertainty during a difficult period. **Having access to knowledgeable legal advice made a significant difference** to my confidence and ability to navigate the process.

Almost half of respondents said they had support needs, mainly related to disability, experience of violence and caring responsibilities. They also told us that 66% of those needs were met, up from 60% in the previous year. This continues to be an important area of focus to improve accessibility and equity for clients using our services.

Overall, these results point to our focus on delivering client-centred services that are effective and responsive. Ongoing areas of improvement continue to be around providing supports to clients and making sure our communication is clear, accessible and tailored to client needs.

Where our clients are across Victoria

This map shows the number of unique clients of legal services we helped in each local government area (LGA) during 2025–26. Client locations are based on the primary address they nominate. This may include prisons, hospitals, remand centres and temporary accommodation facilities.

The 10 LGAs with the most clients were (in order): Melbourne, Casey, Wyndham, Greater Geelong, Hume, Melton, Brimbank, Whittlesea, Greater Dandenong and Frankston.

Clients assisted by a private practitioner duty lawyer are not included in this map.



1 Level of disadvantage of a local government area is based on the Australian Bureau of Statistics' Index of Relative Socio-economic Disadvantage.

04 Our services

We provide legal advice, representation, information and advocacy services for criminal, civil and family law problems. We help people to understand their legal rights, navigate courts and tribunals and resolve their legal problems. We prioritise our limited resources to help those in greatest need.

We understand that complex social issues often underly legal ones. That's why we also deliver a range of non-legal services focused on helping people to understand and speak up for their rights. These services play an important role in supporting the operation of the justice system and improving efficiencies.

Legal aid grants

We fund legal assistance for clients through grants of aid. Clients can be helped by an in-house lawyer, private practitioner, community legal centre or First Peoples legal service.

In 2025–26, we provided 43,471 new grants of legal assistance (6% more than in 2024–25). In addition, we provided 25,886 further grants ('extensions') for matters that progressed and administered 4647 funding orders made by the courts. The number of grant extensions is consistent with feedback from practitioners that matters are becoming increasingly complex.

Seventy-nine per cent of legal assistance services were delivered by private practitioners, while 19% were by in-house lawyers and 3% by community legal centres.

Help at court

Our duty lawyers are available at courts and tribunals across Victoria to help people on the day of their hearing for some criminal law, intervention order, youth crime, family law and civil matters. Information about who can see a duty lawyer and the help they can provide is on our website.

In 2025–26, we delivered 116,604 duty lawyer services (7% more than in 2024–25). Seventy-one per cent of these were delivered in-house, while 13% were by private practitioners and 16% by community legal centres.

Pre-court services

Criminal matters

Our Help Before Court service provides people with information, support and advice ahead of their court hearing rather than on the day for criminal matters in the Magistrates' Court. It allows clients to seek legal advice and prepare for court before their court event, reducing the need for unnecessary adjournments.

In 2025–26, we delivered 6737 Help Before Court services (11% more than in 2024–25) for over 6100 clients.[1]

Thirty-seven per cent of Help Before Court matters were adjourned, compared with 88% for duty lawyer services. Six per cent of clients were diverted out of the criminal justice system, compared to 3% for clients who only received a duty lawyer service. These outcomes reduce downstream demand on courts and corrective systems and improve system efficiency.

Thanks to funding from the Victorian Legal Services Board and Commissioner, we have implemented this client-centred best practice model at all our offices across Victoria.

1 We have updated our methodology to improve the accuracy of these figures. The percentage comparative figure presented here has been calculated using the updated methodology.

Family violence matters

The Pre-Court Engagement (PCE) service provides early legal advice and support to people with family violence intervention order matters before their court hearing date. Delivered in partnership with community legal centres and Victoria Police across eight Magistrates' Court locations, the service helps clients understand their legal options, negotiate outcomes where appropriate, and better prepare for court.

In 2025–26, the service accepted 20,135 pre-court referrals (4% more than in 2024–25). We delivered 55% of all PCE services and community legal centres delivered 45%. Increased uptake of PCE services in family violence matters enhances legal system efficiency by reducing the time spent on matters at court.

In a survey of PCE clients in early 2026, approximately 85% of respondents reported improved understanding of their legal options, what to expect at court and the next steps in their matter after receiving PCE assistance. This shows the value of trauma-informed, early intervention legal assistance in helping people navigate family violence intervention order proceedings.

Legal Help phone line and webchat

Our Legal Help phone line and webchat are key entry points for Victorians seeking legal assistance.

We answered 175,228 requests for assistance and delivered 127,984 information sessions (6% more than in 2024–25) and 19,721 advice sessions (16% more than in 2024–25). Eighty-seven per cent of sessions were by phone and 13% by webchat. We answered 68% of phone calls and 99% of webchats; the combined average wait time was 14:48 minutes.

Also, read about:

- the most common legal issues we dealt with through Legal Help (page 14)
- our legal helpline for First Peoples – 1300 MOB VLA (page 13).

Family dispute resolution

Our Family Dispute Resolution Service helps parents, children and others involved in family separation resolve their family law disputes.

With careful risk assessment, case management support, trauma-informed mediators, child specialists and lawyers, families can reach safe agreements out of court. If court is needed, lawyers assist with this pathway. Family violence is present in most cases.

In 2025–26, 1567 people with grants of aid initiated mediation (23% more than in 2024–25), resulting in 915 mediation conferences (3% more than in 2024–25) with a settlement rate of 79%.

In the 756 conferences with children's issues, the settlement rates (partial and full) were 78% (for early intervention mediation) and 80% (for litigation intervention mediation).

In the 159 property dispute conferences, the settlement rate was 75%. This supports financial security and safety, particularly for women and children.

Children and young people, including First Peoples, culturally diverse children, and those with specific needs are heard in family dispute resolution. Independent children's lawyers represented children and young people's interests in 294 conferences (18% more than in 2024–25), almost a third of all conferences.

The number of participants in our Kids Talk program has more than doubled over three years, with 218 children from 115 families taking part in 2025–26. Child specialists may meet with children who have been exposed to family violence or other trauma and adapt processes to meet their unique needs and support their parents and carers. The process may include facilitated restorative conversations to address past harm and support child-centred decision-making.

Meena's story

Our Kids Talk program, part of our Family Dispute Resolution Service, gives children and young people the opportunity to actively participate and be heard in family law decisions.

Meena,[1] a young person who is neurodivergent, was withdrawn, shy and apprehensive at her first Kids Talk meeting with a child specialist. She did not want to make eye contact and gave non-verbal or one-word responses. Her parents had been in litigation for a decade.

The child specialist helped Meena by:

- normalising how difficult it was to speak to new people in an unfamiliar place about personal issues
- giving her photos of the building, meeting room and waiting room
- asking for her consent to share information
- writing the topics that will be discussed on a small whiteboard so she knew what to expect
- giving her time to feel comfortable in the space and showing her youth-friendly materials
- reassuring her that if she was uncomfortable, she could speak or give a hand gesture, and they would move on to another subject.

By working with Meena, we were able to put her at ease, and she was able to concentrate and be direct and honest with the child specialist. Meena made it clear that she had strong views, and had not previously felt heard, after years of conflict.

The report used in mediation led to a parenting agreement that sought the best outcome for Meena.

Independent advocacy services

Independent Mental Health Advocacy

Independent Mental Health Advocacy (IMHA) provides mental health advocacy to people at risk of and subject to compulsory mental health treatment so they can have as much say as possible about their assessment, care and personal recovery. As an independent, non-legal advocacy service, IMHA helps achieve better outcomes by supporting people to advocate for themselves and their rights and connecting them with other services, including mental health legal services.

In 2025–26, IMHA delivered 46,232 advocacy, self-advocacy support and debriefing services (11% fewer than in 2024–25) and 72,750 information, referral and intake services (7% more than in 2024–25). This reflects a stabilisation in service delivery following IMHA's expansion in recent years and the introduction of the legislated opt-out model of access to IMHA services.

We published a report on the second year of the opt-out model. It showed that the model has greatly increased access to the service since it came into effect on 1 September 2023 including to groups previously harder to reach such as children and young people, older people and First Peoples.

IMHA also has a statutory responsibility to educate people on their rights under the *Mental Health and Wellbeing Act 2022* (Vic) and provided over 600 rights sessions across the state and online.

Independent Family Advocacy and Support

Independent Family Advocacy and Support (IFAS) provides non-legal advocacy to parents and primary carers navigating the early stages of the child protection system. This non-legal service helps achieve better justice outcomes by diverting families from the court system in child protection matters.

In 2025–26, IFAS delivered 13,879 high intensity services including advocacy and coaching for self-advocacy (178% more than in 2024–25) and 8897 low intensity services (information and referral) (122% more than in 2024–25).

These increases reflect the statewide expansion of IFAS. In September 2026, we concluded the rollout with IFAS now available across Victoria.

1 Not her real name.

Tanya's story

The statewide rollout of our Independent Family Advocacy and Support (IFAS) service means that families anywhere in Victoria can now access free, independent and confidential support.

Advocates in our lived experience reference group, Shared Experience and Support, provide guidance for the service. Tanya joined this group to give back after going through the child protection system herself.

'Having an advocate who was knowledgeable, empathetic and non-judgemental was invaluable to my experience in dealing with child protection,' she said.

'Prior to having an advocate, I was alone and struggling.

'Making IFAS available across Victoria means more people can now be supported through their dealings with child protection, which can be scary and daunting on your own'.

Chambers services

Our Chambers advocates represent and appear for legally aided clients in state and federal courts and tribunals across Victoria. They undertake strategic litigation intended to benefit the broader community and provide advice, legal education, training and mentoring across civil justice, criminal law and family, youth and children's law.

In 2025–26, our Chambers advocates appeared in 2201 court and tribunal matters (2% more than in 2024–25), provided formal advice 380 times (23% fewer than in 2024–25) and provided staff training 111 times (6% more than in 2024–25). Our advocates also provided written and case preparation services (such as drafting forms, submissions and analysis) 197 times (49% more than in 2024–25).

Service delivery performance

This section outlines our service performance against the targets set out in the Department Performance Statement (DPS).

In 2025-26, we continued to experience higher demand for our services, driven by ongoing external factors including legislative changes and growth in certain matters (such as family violence and serious criminal offences). State government-approved service expansions of our early intervention programs saw additional growth throughout the year that was not factored into our targets given the short-term nature of the funding.

In our Legal Help service, we also launched new specialist helplines to support priority clients, including the 1300 MOB VLA phone line and Yarn Online webchat service for First Peoples, and rolled out a new triaging process. These specialist services have improved community access to information and advice and ensured that the people who need help the most can obtain it quickly.

Client satisfaction continues to trend upwards. However, there are still ongoing challenges associated with the increasing complexities of legal issues and clients' lives.

Measures for 2025–26	Target	Actual
Grants of legal assistance	42,000	43,471
Duty lawyer services[1]	91,000	98,276
Legal advice and minor assistance	35,000	44,578
Community legal education and legal information	130,000	136,034
Advocacy and client support services	113,000	141,758
Proportion of services involving family violence	27%	34%
Average minutes of wait time to Legal Help	< 15 min	14:48 min
Client satisfaction with services	80%	70%

1 This does not include duty lawyer services provided by community legal centres.

Our impact

This section outlines our impact in our five strategic outcome areas: access to justice for clients, improving community legal understanding, a collaborative legal assistance sector, fairer laws and systems and an effective and sustainable Victoria Legal Aid.



Strategic outcome O1

Access to justice for clients



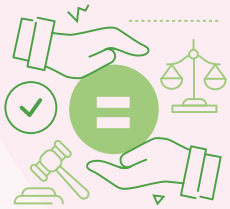
Strategic outcome O2

Improving community legal understanding



Strategic outcome O3

Collaborative legal assistance sector



Strategic outcome O4

Fairer laws and systems



Strategic outcome O5

Effective and sustainable Victoria Legal Aid



Strategic outcome 01

Access to justice for clients

We aim to improve access to justice and support people to develop stronger legal capability. In 2025–26, we implemented programs that support a range of people in the community.

People on remand

We play a vital role in helping people to navigate increasingly complex and punitive bail laws. Our services help people participate effectively in bail hearings, protecting their rights and helping identify and address the underlying causes of offending, preventing further harm. Changes to bail laws, have resulted in an increase in our average monthly remand duty lawyer services by 70% for children and 30% for adults.

In the Melbourne Magistrates' Court, we expanded our adult remand services to include a pilot program that helps newly remanded people with their immediate non-legal needs arising from being taken into custody, including addressing the traumatic impact of being remanded. The Remand Support Service supports clients' ability to engage effectively in the legal process.

In 2025–26, we supported 674 people through the service. Referrals to the service increased steadily between February and May 2026, representing around 20% of adult remand clients at Melbourne, showing growing uptake of the service. The service was developed in response to recommendations from an independent review of our adult remand services and is funded by the Victorian Legal Services Board and Commissioner.

Terry's story

Our client, Terry,[1] was on bail and supported by our Remand Support Service.

Following his release on bail, Terry was unable to attend to his pending court matters or engage with the legal process, and his mental and physical needs were deteriorating. He had not sought the urgent mental health supports he needed and was feeling overwhelmed by his worsening finances and physical health needs.

One of our lawyers recognised that Terry was at risk of having bail revoked and breaching bail conditions. They made an urgent referral to our Remand Support Service two days before Terry's court hearing.

Terry was assisted to seek mental health support, visit his GP and apply for Centrelink support. His positive engagement with our service was recognised by the magistrate in court. Bail was not revoked and Terry stayed out of custody pending the finalisation of his court matters.

Terry was relieved by the outcome, saying: '…just knowing someone cares and is here to help and talk to, and that can help me get support means so much to me. I've had some really dark times and I'm truly grateful.'

1 Not his real name.

First Peoples

In 2025–26, we focused on providing First Peoples with greater access to culturally safe legal support. This included through culturally led data collection, stronger referral pathways and responsive triaging processes. We also tracked systemic barriers in our services and introduced a culturally led process to raise concerns, helping ensure issues affecting First Peoples clients and staff are recognised and addressed.

We delivered safer, faster and more trusted pathways through our new legal helpline for First Peoples, 1300 MOB VLA. The helpline dealt with 5409 calls and made over 250 referrals to the Victorian Aboriginal Legal Service and Djirra. We also launched our Yarn Online webchat for First Peoples, which had 141 chat sessions.

We strengthened our Aboriginal Community Engagement Officer (ACEO) program through its statewide rollout, with recruitment for ACEOs occurring across regional Victoria. We aim to have an ACEO in each of our regional offices by the end of 2026.

Victims of crime

The Victims Legal Service is Victoria's first statewide specialist legal service for victims of crime. It is delivered through a collaborative model together with the Victorian Aboriginal Legal Service, Djirra, Women's Legal Service Victoria, and seven generalist community legal centres.

A report released in March 2026 found that between March 2023 and January 2026, the service delivered more than 12,000 services, supporting victims of crime to access financial assistance for their recovery. In a sample of 25 finalised matters, the service secured more than $380,000 in financial assistance for victims of crime.

We welcomed $6.3 million in funding over two years from the 2026–27 Victorian Budget for the Victims Legal Service. This investment means the service can continue to support the community for two additional years.

People experiencing mental health issues

We continued to implement the Mental Health Legal Rights Service (MHLRS) in partnership with the Mental Health Legal Centre and the Victorian Aboriginal Legal Service. The service provides legal support for people who are experiencing, or may experience, compulsory mental health treatment.

Some of the work we delivered in 2025–26 included promoting the specialist MHLRS helpline, expanding frontline legal roles in regional Victoria and establishing an advisory group led by people with lived experience. We also worked with La Trobe University on an independent mid-term evaluation to help improve the model.

We continued to strengthen our legal services in the Assessment and Referral Court (ARC) as part of its statewide rollout. ARC provides a therapeutic, person-centred approach to justice for people with significant mental health or cognitive issues. We increased accessibility of our legal services for ARC at all headquarter Magistrates' Courts. We also recruited senior lawyers for two remaining ARC expansion sites, Geelong and Broadmeadows, which will be completed in early 2027.

Regional and suburban Victorians

We are strengthening our ability to meet growing demand in regional and suburban communities through ongoing investment in our facilities across the state.

In 2025–26, we expanded our staff practice to respond to acute legal need in the Ovens Murray region with our new staff service in Wodonga. This service complements existing services provided by private practitioners and community legal centres, significantly improving access to justice in the region. We thank Upper Murray Family Care and the Hume Riverina Community Legal Centre for their support in establishing our permanent staff presence in the region.

We reopened our Barwon regional office in Geelong and our north-western suburbs office in Broadmeadows following upgrades to make these ageing facilities more accessible, inclusive and welcoming. The improvements increase our capacity to meet demand in these diverse and growing communities.

Our service in southwest metropolitan Melbourne has also grown with targeted funding to staff the new Wyndham Law Courts. This initiative followed years of careful planning and engagement about the new facility, the need for services by our practice partners at Westjustice, commUnity+ Legal and in private practice, and a significant funding commitment by the Victorian Government.



Strategic outcome 02

Improving community legal understanding

We aim to improve understanding of legal issues in the community to stop legal problems from happening or getting worse. We do this by providing education and information about legal rights and responsibilities, a central part of our commitment to early intervention and prevention services.

Community legal education

In 2025–26, we continued to provide access to practical legal information through community legal education sessions, and through print and digital resources. We worked closely with community legal centres, the Victoria Law Foundation and other partners to share learning and strengthen community legal education across the sector.

We delivered 369 education sessions across Victoria, including trauma-informed education, reaching people in schools, prisons, rehabilitation centres and community settings. These sessions helped build trust and strengthen pathways to legal assistance.

Community legal education	Number	Change on 2024–25
Sessions	369	+38%
Participants	14,941	+27%

Community legal information

We explored new ways to help people understand the law and get help.

We identified practical ways to ensure family law information is clear, useful and accessible. This involved a comprehensive review of legal information on family law and child support, bringing together research, lived experience and sector expertise. We are using our findings to improve our resources and inform national discussions about principles and standards for family law information.

Our new webpage on using artificial intelligence for legal problems offers guidance to reduce risks and improve results. In response to community demand, we made free enduring power of attorney forms available in print, with the support of the Office of the Public Advocate and the Department of Justice and Community Safety.

Community legal information	Number	Change on 2024–25
Engaged sessions on legal information website pages	726, 949	-25%
Publications distributed	171, 167	+0.4%
Information services[1]	126,684	-2%

Common legal issues

The most common issues addressed with legal information were centred on relationships, family violence, family disputes, mental health and the needs of young people.

Legal information website pages – most visited

- Age of Consent
- Going to court – writing a character reference
- Powers of attorney
- Driving and accidents
- Divorce

Legal information publications – most ordered

- Am I old enough? Common legal issues for young people
- Independent Mental Health Advocacy postcard – Aboriginal and Torres Strait Islander peoples
- Take control of your future decision-making: an introduction
- Independent Mental Health Advocacy postcard
- Sex, young people and the law age of consent wallet card

Legal Help phone line and webchat – most accessed

- Parenting plan (family law)
- Family violence (respondents and applicants)
- Property settlement (family law)
- Financial assistance for victims of crime
- Motor vehicle accidents

1 These are typically delivered through Legal Help, Help Before Court or face-to-face at an office, court or public counter.



Strategic outcome 03

Collaborative legal assistance sector

We're committed to building strong and effective partnerships within the legal assistance sector to provide quality services across Victoria.

Supporting the mixed model

We work with private practitioners, barristers and community legal centres to deliver legally aided services throughout Victoria. This is called the mixed model of service delivery.

Private practitioners

We continue to engage directly with the profession through stakeholder meetings and practitioner network meetings to gain insights into funding for private practitioners who deliver legal aid services, using this insight to advocate for adequate funding. This includes collaborating with National Legal Aid on advocacy to improve funding for family and civil law matters and advocating to the Victorian Government for increased funding to meet the real costs of providing legal assistance and increases in demand caused by change to bail laws and youth justice.

During 2025–26, we focused on improving our administration of grants of legal assistance and started work to plan for the replacement of our current grants management system. We are working toward improving the current processes for administering grants to simplify and streamline grant assessments and reduce the administrative burden for our partners.

We also progressed work to strengthen the quality of both private practitioner and in-house services. This included a review of practice standards, updates to compliance terms and conditions, the development of a quality assurance framework and planning for an expert panel pilot. These initiatives will support greater consistency in legal practice, strengthen quality assurance and help ensure that clients continue to receive high-quality legal services.

We also commenced a legal learning program to build lawyers' practical skills to deliver high quality legally aided services to clients. This includes legal education and professional development opportunities for private practitioners, community legal centres and our staff.

Barristers

Our Equitable Briefing Strategy target is that at least 50% of all our funded briefing fees from in-house lawyers and private practitioners are paid to women counsel at the Victorian Bar and our Chambers. Although we did not meet our target, we continue to see positive progress.

Forty-one per cent of all briefing fees were paid to women counsel, up from 39% in 2024–25 and 37% in 2023–24. From our in-house practice, 49% were paid to women counsel.

Our total payments to barristers at the Victorian Bar were $35 million, of which $14 million (39%) were to women barristers. This is up from 38% in 2024–25 and 36% in 2023–24.

Our Equity and Diversity List is growing. This is a publicly accessible list of barristers who have opted in and self-identified as a woman or diverse. It aims to help lawyers find and brief diverse counsel for legally aided matters. We also support the development of trial counsel for legally aided criminal and family law trials through our development programs.

On 30 June 2026, there were 222 barristers from the Victorian Bar and 19 public defenders from our Chambers on our Criminal Trial Preferred Barrister List.

Community legal centres

Community legal centres (CLCs) are an essential part of the mixed model, providing legal assistance and related services that are client-centred, efficient and effective in meeting legal needs and improving access to justice.

In 2025–26, we worked with CLCs to undertake legal needs analysis and collaborative service planning and design, as well as providing professional development and training opportunities.

Funding administered under the Community Legal Services Program totalled $81,136,339 to 42 CLCs, the Victorian Aboriginal Legal Service, Djirra and the Federation of Community Legal Centres. This included core and special purpose funding for:

- supporting victims of crime
- strengthening family violence services, including in response to increasing demand for family violence duty lawyer services
- supporting people with mental health conditions to access the justice system
- frontline support to address workplace sexual harassment
- domestic violence units and health-justice partnerships
- legal services related to citizenship for young people from refugee backgrounds
- increasing capacity for family law services
- tenancy and employment legal support for international students
- Wyndham Law Courts
- Bendigo Law Courts expansion
- increasing capacity for criminal law services.

We launched a two-year pilot to fund new family law roles at CLCs in regional Victoria. The pilot will fund six family lawyer roles in three CLCs in the Wimmera, Goulburn Valley and Ovens Murray regions – areas of high unmet legal need where clients struggle to find family lawyers who will undertake legal aid work. The new roles will provide legal representation for clients with parenting, property, child support or spousal maintenance issues.

Collaborative Planning Committee

The Collaborative Planning Committee (CPC) is a forum for senior representatives across the legal assistance sector. It aims to develop common strategic priorities, focusing on collaboration, transparency and effectiveness within the legal assistance sector.

The CPC met four times in 2025–26, discussing sector priorities including:

- supporting the mixed model of service delivery
- information sharing across national networks
- legal assistance funding.

The CPC also considered how to align the forum to support shared service planning for the Victorian legal assistance sector, strengthen the use of intelligence and data, and identify service gaps, pressures and sustainability risks.



Strategic outcome 04

Fairer laws and systems

In 2025–26, we pursued improvements in law and policy in a range of criminal, civil, family and children's law areas. We did this by elevating client stories and voices, sharing practice data and experience and advocating for changes based on evidence.

For all submissions we made, visit the Victoria Legal Aid Library website.

Our youth justice experience

We remain steadfast in advocating against punitive changes that erode fundamental principles around treating adults and children differently.

We emphasised this in our evidence to the Senate Inquiry into Australia's Youth Justice and Incarceration System. In our appearance before the inquiry, we reinforced the importance of prevention and early intervention, along with investment in support systems, which is guided by the needs of children and families.

Criminal law legislative changes

In 2025–26 we responded to a high number of significant changes to criminal laws. Changes in bail, committals and youth justice legislation required extensive training and support across the legal sector, as well as increased service capacity and resourcing. We also undertook monitoring and evaluation to assess the impact of these changes and inform our ongoing strategic advocacy.

Treating children like children

We welcomed the increase to the minimum age of criminal responsibility in Victoria from 10 to 12, while continuing to advocate for the age to be raised to at least 14.

We also spoke out against the new 'Adult Time for Violent Crime' laws, which require some children charged with serious offences to be sentenced as adults. Under the new laws, some children are required to appear before the County Court rather than the specialised Children's Court, where proceedings are designed to reflect their age, development and rehabilitative needs.

We expressed our serious concerns that imposing lengthy, adult sentences on children convicted of violent crimes is contrary to evidence and research that shows that harsher sentences do not reduce offending. Rather, it increases the likelihood of reoffending, undermining both rehabilitation and long-term community safety.

Mental health

Our advocacy to the Mental Health and Wellbeing Commission contributed to the Department of Health confirming that consumers on compulsory treatment orders would no longer be charged for stays in secure extended care units. This brought an end to a concerning practice where consumers who were subject to compulsory mental health treatment were being adversely financially impacted and experiencing barriers to discharge, which we considered inconsistent with the Victorian Charter of Human Rights and Responsibilities.

This is part of ongoing work by Independent Mental Health Advocacy (IMHA) and the Mental Health Legal Rights Service – a partnership between us, the Mental Health Legal Centre and the Victorian Aboriginal Legal Service – together with lived experience experts, to inform mental health system reform, including to ensure increased accountability and rights for consumers.

Long awaited changes to child protection laws

We welcomed changes to child protection laws that focus on improving decision-making in a child's best interests, providing greater flexibility to support families to stay together. The reforms came after years of advocacy by legal services and Aboriginal community-controlled organisations to change the 2016 'permanency amendments' which brought in strict timelines for families to reunify.

While the introduction of the Children, *Youth and Families Amendment (Stability) Act 2026* (Vic) is an important step, there is still work to be done to ensure that the child protection system better prioritises the wellbeing of children, including through greater investment in early and intensive support for families to prevent child removal.

Rethinking intervention orders against children

Advocacy about the experiences of children in the family violence and personal safety intervention order systems was a strategic advocacy priority this past year. In July 2025, we released an original research report, '*Feeling supported, not stuck – rethinking intervention orders for children and young people*'.

We analysed data from our services and partners across the legal sector, reviewed 100 closed legal files and spoke to children and their families to create a systemic picture of the intervention order system as it relates to children. Our data confirmed that between 2018 and 2024, we saw a 34% increase in children coming to us for help with these orders. We used evidence from the report in the media and across several submissions.

We also contributed to the Victorian Law Reform Commission's (VLRC) inquiry into the protection of children who turn 18 while on a family violence intervention order (FVIO). Following the VLRC report and advocacy, including from young people with lived experience of family violence, reforms were introduced to stop young people from automatically 'ageing out' of the protection of FVIOs when they turn 18.

Cross-sector advocacy leads to legislated misidentification protections

Since the Royal Commission into Family Violence in 2015, we have worked closely with CLCs and family violence organisations to advocate for the prevention and rectification of misidentification of the primary aggressor in family violence situations. In February, we welcomed new provisions in family violence laws that better recognise the complexity of family violence and the harm of misidentification of the primary aggressor.

The changes require police officers and magistrates to consider key factors that increase the risk of incorrectly identifying victim survivors as the primary aggressor of family violence when making family violence safety notices and family violence intervention orders. With the sector, we also called for clearer pathways to rectify cases of misidentification. We continue to advocate for these important reforms.

First Peoples

Following the release of the Yoorrook Justice Commission's final reports, we acknowledged our systemic role in the injustices caused to First Peoples and committed to change. We urged the Victorian Government and all Victorians to reflect deeply on the reports and take action to ensure the work of the commission endures long into the future.

We also welcomed the beginning of Victoria's historic Treaty late in 2025 as a major step forward in addressing the injustices experienced by First Peoples since colonisation. We reaffirmed our commitment to play our role in creating better justice outcomes for First Peoples through our advocacy efforts on bail laws, youth justice, family violence and civil justice matters including racism, discrimination, disability and mental health.

Our advocacy highlights the need for First Peoples voices and experiences to be at the centre of this work and to build greater cultural capability across these systems as recommended by the Yoorrook Justice Commission.

Strategic litigation

Our advocacy and law reform work includes strategic litigation to clarify points of law or challenging the way laws are applied in practice.

Tatiana's story

Our client, Tatiana, won a landmark case in the Federal Court after experiencing discrimination by her employer when pregnant, and then breastfeeding and looking after her newborn baby.

'I had to breastfeed in a storeroom because there was nowhere for breastfeeding. There was no fridge for my milk so I had to buy a suitcase and buy ice just to take home for my baby', said Tatiana.

The court found that Tatiana's employer had breached their obligations under the *Fair Work Act 2009* (Cth) by treating her in a discriminatory manner. Importantly, the case also highlighted how foreign state entities must comply with Australian employment law for people they employ in Australia.

'There were times I had to appear in court without legal representation simply because I couldn't afford one. Despite these hardships, I remained steadfast in my belief that the truth – my truth – deserved to be heard and defended,' Tatiana said.

'Throughout this ordeal, I persisted in my fight for justice and my rights as an Australian worker. It was difficult and uncertain, but I felt that I had to raise my voice for justice.'

Our senior litigation specialist said: '[This case] shows employers that Australians have workplace rights and if you breach those rights, there can be serious financial compensation and penalties awarded against you.'

Sherri's story

Our client, Sherri, receives support from the National Disability Insurance Scheme (NDIS) as she lives with serious health conditions. The National Disability Insurance Agency (NDIA) attempted to limit eligibility for people accessing the NDIS, appealing a case against Sherri to the Federal Court.

The Federal Court ruled in Sherri's favour. She was relieved by the court's decision, which meant her NDIS support would continue.

'I first applied for the NDIS five years ago. This case has gone on for a long time, but I have continued to fight to have the disability supports I need because without them I cannot look after my health and hygiene or live a life of dignity', she said.

'I am so relieved that I will be able to continue receiving disability supports.'

The landmark decision reaffirms the importance of the NDIS in ensuring people with disability have the support they need to thrive. It confirms that people should not have to show that all their support needs cannot be met by other services just to access the NDIS, especially when those services depend on location, change over time or may be cut in the future.

Sherri and our team are currently defending the successful outcome following a further appeal by the NDIA to the Full Federal Court.



Strategic outcome 05

Effective and sustainable Victoria Legal Aid

We aim to build an effective organisation by investing in our people, technology and systems.

New strategic plan

In 2025–26, we developed Strategy 30 – our new strategic plan for 2026–30 – which we released on 1 July 2026. The strategy reinforces our commitment to helping people access justice and providing essential legal and related services to the community every day. It focuses our efforts and resources on the areas where we believe we can make the greatest difference for our clients and communities.

More information is available on the Strategy 30 page on our website.

Diversity, equity and inclusion

As our clients reflect a broad range of Victoria's community, we are adopting an intersectional approach to diversity, equity and inclusion (DEI) in our workforce. This recognises that individuals' experiences of privilege and disadvantage arise from their multifaceted and intersecting identities.

In 2025–26, we commenced development of a new intersectional DEI framework to help embed this approach across our organisation. This is supported by a new Intersectional Equity Action Plan 2026–30, which meets our obligations under the *Gender Equality Act 2020* (Vic). Through this plan, we are taking an intersectional approach to the way in which we promote gender equity across our organisation. These documents will be released later in 2026.

We are proud that our gender pay gap for women declined to 7.85%, below the national gender pay gap of 11.5%.[1] It is also down from 8% in 2025 and 9.9% in 2024, reflecting continued improvement. However, we know that there is more to do.

We are also committed to taking actions towards dismantling racism. We surveyed our staff to understand their experiences of racism in our workplaces and systems, helping to inform decisions and actions for our senior leaders. We have also recognised racism as a psychosocial hazard in our risk management framework, following legislative changes in December 2025.

Safe and supportive workplaces

Staff safety and wellbeing are essential to a strong and effective organisation. We prioritise looking after the wellbeing of everyone in our workplaces and ensuring we foster safe environments.

We have continued to see an increase in reports of inappropriate behaviour experienced or witnessed by staff at work. We have zero tolerance for inappropriate behaviour, which we know has historically been underreported. It is encouraging to see more staff feeling confident to report these matters and seek support.

While this suggests an increase in trust in how we handle these sensitive matters, we know we must continue to build trust and safety in our reporting processes and monitor any concerning patterns. We are improving our internal training to respond to these reports, including through the development of refreshed e-learning for all staff and managers, as well as face-to-face trainings.

We also continued development and rollout of a comprehensive psychosocial wellbeing framework, aligning our approach with the new *Occupational Health and Safety (Psychological Health) Regulations 2025* (Vic). For more information, see the Health, safety and wellbeing section.

Technology and data

We are focused on ensuring our technology and data systems are up to date to enable us to meet growing demand and the increasingly complex needs of our clients.

In 2025–26, we reviewed how staff and practice partners access client information with the aim of making it quicker and easier to access that data, freeing up more time to focus on clients' needs. We enhanced our client and case management system, including piloting new functionality to support the management of conflicts of interest and introducing new features to better support staff and managers.

We commenced work to replace our current grants management system, transitioned to a new travel management system, and continued work to upgrade our contract management processes and systems. We invested in modern laptops to ensure our staff can access digital systems efficiently, and made improvements to other critical finance, data and human resource systems. We also explored the responsible use of artificial intelligence to support our work.

1 We use the gender pay gap definition used by the Workplace Gender Equality Agency. Data was sourced from our payroll system on 28 January 2026 and is a snapshot of our workforce on that day.

First Peoples strategies

In 2025, we reached the end of our Reconciliation Action Plan 2023–25, Aboriginal and Torres Strait Islander Cultural Learning Strategy 2020–25, Aboriginal and Torres Strait Islander Employment Strategy 2020–25 and Aboriginal Services Strategy 2020–25. This created an opportunity to reflect on our progress, share learnings, identify gaps and set a clear direction for the future.

We engaged Social Ventures Australia Consulting in partnership with NICCAS Cultural Infusion Services, a First Peoples-led business, to lead an independent review of how we delivered on these commitments. The findings of the review – named *Ngarrnggala-u Nhanbu*, meaning 'learn from past' in the Taungurung language – will inform the development of our First Peoples services framework and action plan, which will support us to progress self-determination at Victoria Legal Aid.

Our framework and action plan are grounded in self-determination and will improve our accountability to Victorian First Peoples communities. They will also guide our readiness for statewide Treaty outcomes and our engagement in the Victorian Aboriginal Legal Service Justice Treaty development project.

In 2026, our First Peoples Services directorate adopted the name *Barring-ga Balert*. This name – meaning 'journey, walking the path of strength' in the Boonwurrung language – reflects the evolution of the team into a standalone directorate within our organisation. It represents the team's cultural identity, leadership and purpose and symbolises its growth and continuity.

Reconciliation Action Plan

Through our Reconciliation Action Plan (RAP) 2023–25, we committed to making reconciliation our everyday business. Its implementation was evaluated during 2025–26 as part of the independent review into our First Peoples strategies and plans.

We are proud of the increased embeddedness of reconciliation in our work, while acknowledging that there is much more to do. In 2025–26:

- 67 staff members identified as First Peoples (as of 30 June 2026), representing 4.3% of our workforce, up from 2.8% at the start of our RAP in September 2023
- five First Peoples individuals took part in our graduate and new lawyers programs
- 85% of our staff had completed mandatory cultural training and 37% undertook additional training with the Koorie Heritage Trust (as of 30 June 2026)
- $581,316 was spent on procurement from 17 First Peoples-led businesses.

This was our last RAP, as we move to a First Peoples services framework and action plan based on self-determination, in alignment with the statewide Treaty developments.

06 Our governance

Our governance structure includes our Board, chief executive officer, executive management group and senior leadership team. Our organisational chart is available on our website.

Data in this section is current as of 30 June 2026.

Board

Our Board of Directors is responsible for ensuring we meet our statutory objectives and carry out our functions in accordance with the *Legal Aid Act 1978* (Vic).

Bill Jaboor finished his term as Chairperson of our Board in February 2026 after eight years of dedicated service. He was succeeded by Llewellyn Prain, who served as a Board member since July 2024. Robbie Campo also completed her term on the Board in August 2025 after nine years of valued service.

We welcomed Christine Christian to the Board in October 2025. Christine brings extensive experience from a distinguished 35-year career across the financial services, government and not-for-profit sectors.

Members

Llewellyn Prain
Non-executive Director (Chairperson from 1 March 2026)

Bill Jaboor
Non-executive Director (Chairperson until 28 February 2026)

Robbie Campo
Non-executive Director (until 30 August 2025)

Christine Christian AO
Non-executive Director (from 1 October 2025)

Tal Karp
Non-executive Director

Clare Morton
Non-executive Director

Elly Patira
Non-executive Director
(leave of absence from 28 April to 3 August 2026)

Andrew Saunders
Non-executive Director

Diversity

This data represents Board members on 30 June 2026.

Gender
- Female: 5
- Male: 1
- Self-described: 0

Location
- Metro Melbourne: 6
- Regional: 0

LGBTIQA+: 0

First Peoples: 1

Culturally and linguistically diverse: 2

Disability[1]**:** 3

Age
- Under 35: 0
- 35–44: 2
- 45–54: 1
- 55 and over: 3

1 We intend the term 'disability' to encompass the social model of disability with a broad and inclusive meaning. It encompasses any impairment, including physical, mental, intellectual, cognitive, learning, communication or sensory impairment. It also includes a functional limitation – whether permanent, temporary or episodic in nature, or evident or not, that, in interaction with a barrier, hinders a person's full and equal participation in society.

Sub-committees

Audit, Risk, Finance and Compliance Committee
Andrew Saunders (Chairperson), Bill Jaboor (until 27 February 2026), Tal Karp, Christine Christian (from November 2025)

In May 2026, the Audit, Risk and Compliance Committee changed its name to the Audit, Risk, Finance and Compliance Committee.

Workplace Wellbeing, Health and Safety Committee
Clare Morton (Chairperson), Llewellyn Prain, Elly Patira

Data and Digital Committee
Tal Karp (Chairperson), Andrew Saunders, Llewellyn Prain

The Data and Digital Committee was disbanded in February 2026 and replaced with the Strategic Projects Committee.

Performance Committee
Bill Jaboor (Chairperson until 27 February 2026), Andrew Saunders, Clare Morton, Tal Karp

The Performance Committee was revoked in May 2026 and the new People, Culture and Safety Committee will assume the functions previously exercised by the Performance Committee and the Workplace Wellbeing, Health and Safety Committee.

Executive management

Chief Executive Officer
Toby Hemming

Chief Operating Officer
Cameron Hume

Executive Director, Criminal Law
Kate Bundrock

Executive Director, Family, Youth and Children's Law
Joanna Fletcher

Executive Director, Legal Practice, Civil Justice, Legal Help
Rowan McRae (until 2 April 2026)
Lucy Adams (acting from 7 April to 1 May 2026)
Sonia Law (acting from 4 May 2026)

Executive Director, Barring-ga Balert – First Peoples Services
Ashley Morris (until 12 May 2026)
Melissa Harrison (acting from 18 May 2026)

Executive Director, Regions and Service Delivery
Peter Noble

Senior leadership

Director, Civil Justice
Lucy Adams

Director, Summary Crime and Therapeutic Justice
Jen Black and Elanor Peattie (job share)

Director, People and Workplace Services
Daniella Calkoen

Director, Legal Help
Jon Cina

Chief Financial Officer
Matthew Dale

Chief Information and Digital Officer
Martin Edwards (until 12 June 2026)
Marita Regan (acting from 3 April 2026)

Director, Barring-ga Balert – First Peoples Services
Melissa Harrison (from 28 July 2025)

Director, Legal Practice
Sonia Law

Chief Counsel
Julia Munster

General Counsel
Sarah Nieuwenhuysen

Director, Family Violence and Family Law
Eila Pourasgheri

Director, Client Services and Sector Engagement
Zione Walker-Nthenda

More information about our senior leaders is available on our website.

Diversity

This data represents senior leaders on 30 June 2026.

Gender
- Female: 14
- Male: 5
- Self-described: 0

Location:
- Metro Melbourne: 18
- Regional: 1

LGBTIQA+: 1

First Peoples: 1

Culturally and linguistically diverse: 4

Disability[1]**:** 2

Age
- Under 35: 0
- 35–44: 3
- 45–54: 12
- 55 and over: 4

This survey reflects a specific snapshot of senior leaders – including those acting in roles – employed on 30 June 2026. It does not represent the entire senior leadership cohort over 2025–26, as some individuals have since departed and subsequent appointments are excluded.

1 We intend the term 'disability' to encompass the social model of disability with a broad and inclusive meaning. It encompasses any impairment, including physical, mental, intellectual, cognitive, learning, communication or sensory impairment. It also includes a functional limitation – whether permanent, temporary or episodic in nature, or evident or not, that, in interaction with a barrier, hinders a person's full and equal participation in society.

Staff and employment

Employment and conduct principles

Our staff are bound by the values and employment principles in the Code of Conduct for Victorian Public Sector Employees and the *Public Administration Act 2004* (Vic). Our Recruitment and Selection Policy also sets out a best practice approach to recruitment and selection that ensures employment decisions are based on merit and support the code of conduct values of impartiality, integrity, accountability and respect.

Employment levels

In 2025–26, our workforce grew by 106.03 full-time equivalent (FTE) roles, an 8% increase from 2024–25. This was our lowest annual FTE growth over the past five years. Much of the increase related to First Peoples services priorities, service responses to the opening of the Wyndham Law Courts and bail reforms, filling long-term vacancies in our Chambers and investment in corporate functions to support service delivery.

	30 June 2026							30 June 2025						
	All employees		Ongoing			Fixed term and casual		All employees		Ongoing			Fixed term and casual	
	No.	FTE	F/T	P/T	FTE	No.	FTE	No.	FTE	F/T	P/T	FTE	No.	FTE
Gender														
Female	1186	1079	676	360	939.9	150	139.1	1120	1006.2	599	344	848.1	177	158.1
Male	366	352.6	269	47	304.2	50	48.4	332	317.2	233	44	265.1	55	52.1
Self-desc	12	11.2	7	3	9.4	2	1.8	14	13.3	10	2	11.6	2	1.7
Age														
15-24	86	53.7	32	29	32	25	21.7	83	71.4	33	26	50.7	24	20.7
25-34	521	436	351	82	351	88	85	506	476.9	317	79	375	110	101.9
35-44	472	330.8	289	138	289	45	41.8	427	386	240	128	332.8	59	53.2
45-54	285	195.9	171	88	171	26	24.9	258	233.8	150	82	212	26	21.8
55-64	160	107.5	93	51	93	16	14.5	150	134.4	84	53	122.1	13	12.3
65+	40	17.4	16	22	16	2	1.4	42	34.3	18	22	32.3	2	2
Employment classification level														
VLA2	283	247.7	134	103	207	46	40.7	283	246.8	126	102	198.1	55	48.8
VLA3	593	551.8	359	137	459.6	97	92.3	553	507.7	313	139	414.7	101	93
VLA4	475	440.6	312	126	405	37	35.6	433	395.6	269	109	347	55	48.6
VLA5	147	139.4	100	32	125.3	15	14.1	135	128.6	90	25	109.2	20	19.4
VLA6	47	45.3	34	7	39.7	6	5.6	42	39.4	30	9	37.3	3	2.1
VLA7	2	2	1	0	1	1	1	1	1	1	0	1	0	0
Total														
Non-exec	**1547**	**1426.9**	**940**	**405**	**1237.7**	**202**	**189.3**	**1447**	**1319**	**829**	**384**	**1107.1**	**234**	**211.9**
Execs	**17**	**15.8**	**12**	**5**	**15.8**	**0**	**0**	**19**	**17.7**	**13**	**6**	**17.7**	**0**	**0**
Total	**1564**	**1442.73**	**952**	**410**	**1253.5**	**202**	**189.3**	**1466**	**1336.7**	**842**	**390**	**1124.8**	**234**	**211.9**

Senior Executive Service officers

The workforce data tables below include Senior Executive Service (SES) officers active in the final full pay period of 2025–26. Variations are compared to 2024–25.

Number of ongoing executive officers

	All		Male		Female	
Classification	No.	Var.	No.	Var.	No.	Var.
SES-3	1	0	1	0	0	0
SES-2	4	-2	2	-1	2	-1
SES-1	12	0	2	-1	10	1
Total	**17**	**-2**	**5**	**-2**	**12**	**0**

Reconciliation of executive numbers

Role	2026	2025
Executives	19	20
Accountable officer (chief executive officer)	1	1
(Less) separations	3	2
Total executive numbers at 30 June[1]	**17**	**19**

Executive salaries

These salaries are for the full financial year at a 1-FTE rate and exclude superannuation.

Income band	Executives
$200,000–$219,999	2
$220,000–$239,999	5
$240,000–$259,999	4
$260,000–$279,999	1
$280,000–$299,999	3
$300,000-$319,999	1
$460,000–$479,999	1

Health, safety and wellbeing

Psychosocial hazards remained the primary health, safety and wellbeing concern for our workforce in 2025–26. Our response to the new *Occupational Health and Safety (Psychological Health) Regulations 2025* (Vic), which commenced on 1 December 2025, was proactively built on work that commenced well in advance of adoption of the regulations.

Key activities included:

- continued development and rollout of a comprehensive psychosocial wellbeing framework, aligning our approach with the new regulations by bringing established programs and new initiatives into a single integrated structure to strengthen the implementation of risk controls
- delivery of education sessions for leadership, managers and employee representatives on the new regulations and our framework
- expansion of our group reflective practice program, building on earlier successful trials to reach a broader range of program areas
- consolidation of physical and psychological health and safety into a unified organisational risk profile, ensuring both domains receive equivalent attention and executive visibility
- delivery of an independent review into cultural and psychological safety for staff.

We continued to mature our governance and oversight arrangements, with enhanced performance reporting and trend data supporting more accurate monitoring of health and safety outcomes.

1 See financial statement note 9.4.

Incident management

This data is based on 1442.73 as the FTE figure at end of 2025–26. Claims data is sourced from our authorised WorkCover agent.

Performance indicator	2025–26	2024–25	2023–24
Incidents (and rate per 100 FTE)	368 (25.51)	253 (18.93)	206 (17.23)
New standard claims (and rate per 100 FTE)	4 (0.27)	2 (0.15)	2 (0.17)
New lost time claims (and rate per 100 FTE)	4 (0.27)	2 (0.15)	1 (0.09)
Fatality claims	0	0	0
Average cost per standard claim[1]	$1339	$10,418	$2859
Average incurred costs per standard claim[2]	$41,011	$18,841	$12,073

We saw a 45% increase in the number of incident reports compared to 2024–25, or 35% when adjusted for workforce growth. This continues the upward trend in reporting observed in recent years and is consistent with our sustained focus on building a positive reporting culture.

'Near miss' reports, particularly those relating to psychosocial incidents and challenging interactions, remain the key driver of the increase. This growth in reporting provides a stronger evidence base for targeting preventive psychosocial risk controls.

The number of new standard accepted claims remains low for an organisation of our size. The average cost per standard accepted claim is significantly lower than in 2024–25, reflecting both the recency of these claims and the achievement of a full return to work in each case.

The higher average incurred cost reflects our WorkCover agent's estimates of projected costs over the life of each claim rather than actual expenditure. Given the very small number of claims, these averages are highly sensitive to individual claims and there is no discernible trend.

1 Actual cost spent per premium impacting claim received during the financial year, averaged over each standard premium impacting claim.

2 Actual cost spent per premium impacting claim received during the financial year, plus the case estimate, averaged over each standard premium impacting claim.

Expenditure and procurement

Consultancies

In 2025–26, we had 23 consultancy engagements where the total fees payable were less than $10,000. The total expenditure was $93,370 (excluding GST).

We had 38 consultancy engagements where the total fees payable were $10,000 or greater. They are listed in this table. The total expenditure was $2,118,783 (excluding GST).

Consultant	Purpose	Total approved project fee (excl. GST)	Expenditure (excl. GST)	Future expenditure (excl. GST)
Alvearium	Facilitation and workshops on leadership impact and cohesion through transition	$57,822	$12,823	$44,999
Anaiwan Advisory	Negotiation services for ICT contract renewal	$14,500	$14,500	$0
Arinco	Microsoft Fabric gap assessment and pilot	$40,050	$16,650	$0
Australian Psychological Services	Legal Help wellbeing strategy review and development	$90,909	$63,830	$0
BKISLES	Workers' compensation and injury management consultancy	$68,218	$64,033	$4858
Cube Group	Strategy 30 consulting services	$257,871	$240,345	$500
Cube Group	Regional management review	$170,750	$170,750	$0
Davchal Property	Property advisory services	$258,295	$89,538	$132,000
Finity Consulting	Valuation of outstanding debtors	$38,309	$21,750	$0
Kowa Collaboration	First Nations data sovereignty principles and governance framework	$222,740	$30,000	$192,740
Louw Consulting	Grants reform consulting services	$48,500	$48,500	$0
Louw Consulting	Grants reform consulting services	$45,455	$45,450	$0
Louw Consulting	Market scan services	$10,000	$10,000	$0
Genesys Cloud Services	Genesys cloud consulting cervices	$10,300	$10,300	$0
GSO Consulting	Grant management system assurance review and report	$38,051	$38,051	$0
Hames Sharley	Bendigo office – feasibility report and test fits	$16,000	$16,000	$0
Insync Surveys	Racism in the workplace survey	$22,500	$22,500	$0
Justitia	Enterprise agreement compliance review	$21,994	$21,994	$0
K Murray Consulting	Interim evaluation of Legal Help reform project	$50,000	$50,000	$0
K Murray Consulting	Review of Mental Health Tribunal duty lawyer service	$59,400	$29,700	$0
Kapish Services	Implementation of consolidated physical records management	$39,840	$39,840	$0
Kristen Hilton Advisory	Review of cultural and psychological safety for staff	$295,000	$295,000	$0

Consultant	Purpose	Total approved project fee (excl. GST)	Expenditure (excl. GST)	Future expenditure (excl. GST)
KordaMentha	Data and digital plan and review	$191,621	$93,551	$98,070
La Trobe University	Independent Mental Health Advocacy opt-out model analysis	$20,000	$20,000	$0
La Trobe University	Evaluation of Independent Mental Health Advocacy and Mental Health Legal Rights Service	$400,146	$209,170	$190,976
Mind Tribes	Diversity, equity and inclusion framework development	$30,400	$30,400	$0
Norman Disney & Young	Office fit outs consulting services	$11,800	$11,800	$0
NICCAS Cultural Infusion Services	Mental Health Legal Rights Service cultural audit	$29,900	$23,300	$0
Orima Research	Client experience survey 2026	$54,343	$54,343	$0
Paper Giant	Review of impacts of civil law services	$22,727	$22,727	$0
PeopleSense	Occupational violence gap analysis	$24,090	$24,090	$0
PeopleSense	Redesigning Mental Health Tribunal duty lawyer service	$17,818	$17,818	$0
Risk Logic Australia	Crisis management exercise	$76,055	$13,280	$62,775
Social Ventures Australia	First Peoples strategies review	$167,942	$167,942	$0
Total Claims Solutions	Workcover claims and injury management	$12,750	$12,750	$0
Trusted Impact	Azure and Microsoft 365 security review	$41,940	$27,960	$13,980
Votar Partners	Data discovery software specification	$11,100	$11,100	$0
Yamagigu Consulting	Lotjpa Independent Legal Service review	$54,000	$27,000	$27,000

Reviews and studies

In addition to these reviews and studies, others were conducted as part of consultancy engagements and are listed in the Consultancies section (page 27).

Name	Purpose	Scope	Anticipated outcomes	Estimated cost for year (excl. GST)	Final cost (excl. GST)	Publicly available
Assessment and Referral Court (ARC) legal service review *February 2023 – ongoing*	To review and improve our ARC legal services	Client interviews and surveys, engagement with advisory groups, community organisations and staff	Recommendations for a culturally safe, accessible and sustainable service model	$30,000	N/A (ongoing)	No (in progress)
Cybersecurity internal audit *July – November 2025*	To evaluate adequacy and design effectiveness of cybersecurity controls	Review of cybersecurity risks, key controls, governance, staff training, and monitoring and reporting processes	Findings and recommendations to improve cybersecurity controls	$47,495	$47,495	No (internal audit)
First Nations Services directorate review *September – December 2025*	To facilitate a workplace review of our First Nations Services directorate	Consultations with directorate and review of program and service delivery, roles, and responsibilities	Recommendations to strengthen clarity in roles and responsibilities	$44,000	$48,400	No (internal use)
Payroll internal audit *March – July 2026*	To assess the effectiveness of payroll processes and controls	Review of payroll, rostering, industrial compliance processes, key controls and governance arrangements	Findings and recommendations to improve payroll processes and related governance arrangements	$57,517	$57,517	No (internal audit)
Standing Directions internal audit *November 2025 – February 2026*	To assess our compliance with the Standing Directions 2018	Review of processes and controls required for assessing compliance with the relevant Standing Directions	Findings and recommendations to ensure financial management practices align with Standing Directions	$20,397	$20,397	No (internal audit)
Youth crime services internal audit *October 2025 – February 2026*	To assess the effectiveness of our youth crime services program	Review of service delivery processes, governance and operational supports for in-house youth crime services	Findings and recommendations to improve the delivery of youth crime services	$40,793	$40,793	No (internal audit)

Information and communication technology

In 2025–26, we had a total information and communication technology (ICT) expenditure of $9,694,105, an increase of 9% compared to in 2024–25. This increase can be attributed to increases in vendor storage and software costs plus support for staff growth through service expansion and capital project activity.

Business as usual ICT expenditure	Capital expenditure	
	Digital Legal Aid	ICT equipment and intangibles
$6,768,570	$2,058,577	$866,958

Government advertising

The disclosure threshold for government advertising expenditure (campaigns with a media spend) is $100,000 (excluding GST). Our total advertising expenditure in 2025–26 did not meet this threshold.

Major contracts

There were no contracts entered into during the financial year that require specific disclosure as they were all less than $10 million in value.

Local Jobs First

In 2025–26, we had one procurement that met the Local Jobs First threshold of $3 million or more in metropolitan Melbourne or for state-wide activities. This was the head contractor Wodonga office fit out request for proposal. However, the activity is still in evaluation and the outcomes are not final. Reporting will be included in our next annual report.

Competitive neutrality policy

We comply with the requirements of the National Competition Policy, where relevant, to ensure competitive neutrality where any services compete, or potentially compete, with the private sector.

Emergency procurement

There was no activation of our Emergency Procurement Plan this year resulting in no spending on emergency procurements.

Social procurement

In line with the government's Social Procurement Framework, we prioritise the following social procurement objectives:

- opportunities for First Peoples in Victoria
- supporting safe and fair workplaces
- opportunities for Victorians with a disability
- women's equality and safety
- sustainable Victorian regions.

During 2025–26, we:

- engaged 36 social benefit suppliers, spending a total of $616,724 with certified social enterprises, First Peoples-led businesses and disability enterprises
- engaged 17 Victorian First Peoples-led businesses, representing 0.75% of our total suppliers.

We also maintained initiatives to support social procurement. This included a requirement in our procurement policy and process to search available databases for social benefit suppliers, and incorporating social and sustainable evaluation criteria into procurement documentation.

Buildings

We are exempt from notifying our compliance with the building and maintenance provisions of the *Building Act 1993* (Vic) as we do not own any buildings.

Complaints

Complaints give us information about our clients' experience and inform how we can improve our services. We use complaints data to detect issues early and direct our quality assurance processes. Information about how to make a complaint is available on our website.

Overview of complaints

What complaint was about	Number		Change on 2023–24
Our services and staff	Number of complaints	260	+14%
	Resolved within 28 days	77%	+5%
Private panel practitioner services[1]	Number of complaints	180	+5%
	Resolved within 28 days	63%	-9%
Total	Number of complaints	440	+10%
	Resolved within 28 days	70%	-1%

Complaints about our services and staff

Complaints were most commonly about the quality of legal advice (16%), funding decisions (14%) or a perceived lack of communication from the complainant's lawyer (11%). Of the 245 complaints that proceeded to an investigation and were finalised, 8% were substantiated.

Complaints were most commonly resolved by referral to another service (20%), provision of further information (15%) or apology (7%). Complaints have been resolved within shorter time frames compared to in previous years. This is attributed to the introduction of a complaints coordinator role and the updated scope of our complaints policy, which has enabled investigators to resolve complaints more efficiently.

Of the complaints received, 6% were still under investigation on 30 June 2026 and 86% of these were made in the final quarter of the financial year.

Complaints about private panel practitioner services

We received approximately one complaint about panel practitioners per 113 grants of legal assistance (compared to one per 104 grants in 2024–25, and one per 79 grants in 2023–24). Of the 150 complaints that proceeded to an investigation and were finalised, only 2% were substantiated. We use any substantiated complaints to inform and strengthen our quality assurance activities.

Complaints were most commonly about a perceived lack of communication from the complainant's lawyer (32%), the quality of legal advice (19%) or a perceived delay or failure of their lawyer in progressing their legal matter (20%). Most complaints were resolved through referral to another service (29%) or provision of further information (14%).

Of the complaints received, 20% were still under investigation on 30 June 2026 and 70% of these were made in the final quarter of the financial year.

Complaints about procurement

We received no formal procurement complaints in 2025–26.

1 Private panel practitioners are required to have an internal complaint handling policy. Complaints resolved under those policies are not captured in our data.

Public interest disclosure

We support the objectives of the *Public Interest Disclosures Act 2012* (Vic) and the protection of people who disclose improper conduct. Information about how to make a protected disclosure and our commitment to protection from detrimental action in reprisal for protected disclosures is available on our website.

In 2025–26, there were no disclosures to Independent Broad-based Anti-corruption Commission under the *Public Interest Disclosures Act 2012* (Vic).

Information and privacy

Information and records management

As a public office, we must comply with relevant legislative and regulatory obligations for information and records management. Our staff must create and maintain full and accurate records of the business they conduct while representing our clients.

In 2025–26, we improved information and records management by:

- publishing new information management guidance resources, including a suite of guidance notes and an interactive tool to assist staff with the disposal of low-value information
- publishing a new variation of the Legal Aid Retention and Disposal Authority (PROS 22/05) to add new record categories covering our advocacy work and service offerings and decrease the retention periods for some information
- bringing all information about our physical record holdings into a single internal catalogue, providing better oversight and control of these records and helping identify records eligible for destruction
- delivering an updated and endorsed destruction authorisation process, along with undertaking a pilot destruction of eligible records
- increasing staffing to provide more information and records management support to our practice areas.

Information privacy

Our obligations for information privacy are governed by the *Privacy and Data Protection Act 2014* (Vic). We are committed to ensuring our clients understand how we collect and use the private information they entrust to us.

In 2025–26, the Office of the Victorian Information Commissioner (OVIC) did not refer any complaints to us about an alleged privacy breach.

Information about how we handle personal information is available on our website.

Freedom of information

The *Freedom of Information Act 1982* (Vic) provides a public right of access to certain information and documents that we hold. Information about the types of freedom of information (FOI) requests we handle and how to make a request is on our website.

In 2025–26, we received 128 FOI applications (35% more than in 2024–25). All were made by members of the public. Of these:

- 12 resulted in full release of documents
- three resulted in partial release of documents
- four were refused
- 10 resulted in no documents being released
- 90 resulted in release of documents outside of the Act
- three were not processed (FOI fee not paid)
- five were withdrawn or abandoned.

All decisions were made within the statutory time periods. There were no decisions made after mandatory extensions had been applied or extensions were agreed upon by the applicant. OVIC notified us of four requests for a review.

As of 30 June 2026, two FOI applications were yet to be finalised.

Environmental performance

We support the Victorian Government's commitment to minimising the public sector's impact on the environment. Our Climate Change Strategy 2023–26 continued to guide our environmental actions during the reporting period.

During 2025–26, we continued to monitor electricity consumption, transport fuel use and greenhouse gas emissions across our operations. We also improved the completeness of our reporting by including our Wodonga office within the reporting boundary for the first time following the availability of utility consumption data.

Reporting period and boundary

We are using the fringe benefits tax year (FBT), 1 April 2025 to 31 March 2026. This is the approach taken by various Victorian Government entities to reduce the need to rely on estimates where data is not available for the financial year at the time of reporting. Using the FBT year means that we can use actual data from utility bills and meet annual reporting deadlines.

Our reporting boundary includes 16 offices, an increase of approximately 7%. During the reporting period, the Wodonga office was included within the reporting boundary for the first time following the availability of utility consumption data.

Our average full-time equivalent (FTE) workforce increased by approximately 14%. Our total office area also increased by approximately 2%. This increase reflects changes to our office portfolio during the reporting period, including the inclusion of the Wodonga office within the reporting boundary.

Indicator	2025–26	2024–25
Total FTE employees	1518[1]	1334[2]
Total office area (m^2)	17,774	17,458
Number of offices	16	15

Greenhouse gas emissions

Our greenhouse gas emissions during 2025–26 reflected changes in service delivery, vehicle use, commercial air travel and whole-of-government electricity procurement arrangements.

Scope 1 greenhouse gas emissions increased by approximately 30%. This increase was driven by increased fuel consumption and vehicle use to support expanding frontline services.

The continued delivery of the Independent Mental Health Advocacy service required regular travel to hospitals and mental health service providers. Additional travel also resulted from the introduction of Aboriginal community engagement officers and team leaders, whose roles require travel across metropolitan and regional Victoria.

The commencement of operations at the Wyndham Law Courts also increased travel requirements. The court is approximately 30 minutes from our Sunshine office, resulting in additional vehicle travel to support court-based service delivery.

Scope 2 greenhouse gas emissions remained at zero under the market-based reporting method. However, the amount of accredited GreenPower purchased decreased during the reporting period following a change in electricity supplier.

Scope 3 greenhouse gas emissions from commercial air travel decreased by approximately 54%.

Indicator	2025–26	2024–25
Total Scope 1 emissions (tonnes CO_2-e) – car fleet[3]	117.3	90.4
Total Scope 2 emissions (tonnes CO_2-e) – electricity[4]	0	0
Total Scope 3 emissions (tonnes CO_2-e) – commercial air travel[5]	5.3	11.5

1 This figure is the average for the period 1 April 2025 to 31 March 2026 and may be different to other FTE totals appearing in this report.

2 This figure is the average for the period 1 April 2024 to 31 March 2025 and may be different to other FTE totals appearing in this report.

3 Scope 1 greenhouse gas emissions are from sources owned or controlled by us, which is currently our car fleet. The fugitive greenhouse gas emissions that result from kitchen fridges and car air conditioning were estimated and have been excluded as they are less than 1% of our total emissions and therefore do not meet materiality.

4 Scope 2 greenhouse gas emissions are from the purchase electricity from the grid.

5 Scope 3 emissions are from activities air travel undertaken to carry out our work.

Electricity production and consumption

Total purchased electricity consumption decreased by approximately 5%. This reduction occurred despite an approximately 14% increase in average FTE employees and the inclusion of an additional office within our reporting boundary. This indicates an overall reduction in electricity consumption across our office network relative to workforce growth.

We purchased accredited GreenPower for part of the 2025–26 reporting period. On 1 July 2025, we transitioned from Red Energy to AGL in accordance with the Victorian Government's whole-of-government electricity procurement requirements.

Under the previous arrangement with Red Energy, our purchased electricity was supplied through a GreenPower arrangement. The amount of GreenPower reported consequently decreased by approximately 78%. The 2025–26 GreenPower result reflects electricity supplied before the transition to AGL.

GreenPower is a government-managed accreditation scheme that requires electricity providers to purchase renewable energy from accredited renewable generators equivalent to the GreenPower purchased by their customers.

Indicator	2025–26	2024–25
Total electricity consumption – purchased electricity (office buildings) (MWh)	880	922
GreenPower	199	922

Stationary fuel use

As we lease our office spaces, we do not have operational control over the buildings' heating systems and diesel back-up generators.

We are not able to collect or apportion this data because we do not have access to billing information from the relevant fuel suppliers. As a result, reported stationary fuel use and greenhouse gas emissions from this source remain zero.

Transportation

Our passenger vehicle fleet increased by approximately 14%. The fleet is primarily used to support service delivery across metropolitan, regional and rural Victoria.

Total energy used by our vehicle fleet increased by approximately 96%.

The increase in fuel use was driven by expanded operational and service-delivery requirements, including:

- continued travel by the Independent Mental Health Advocacy service to hospitals and mental health service providers
- the introduction of Aboriginal community engagement officers and team leaders, whose roles involve regular travel increased vehicle travel to support operations at the new Wyndham Law Courts
- an increase in the number of vehicles required to support organisational service delivery.

Greenhouse gas emissions from the vehicle fleet also increased during the reporting period. The increase reflects the greater amount of travel required to deliver services rather than a reduction in service provision or activity.

The distance travelled by commercial air travel increased by approximately 47%. Despite this increase in distance, greenhouse gas emissions from commercial air travel decreased by approximately 54%, from 11.5 tonnes CO_2-e to 5.3 tonnes CO_2-e. This indicates that the average emissions generated per passenger kilometre were lower during 2025–26.

We continue to plan for a long-term transition to zero-emissions vehicles, consistent with the Victorian Government's broader commitment to accelerating the transition to zero-emissions cars.

Indicator	2025–26	2024–25
Number of vehicles – passenger, internal combustion engine	42	37
Total energy used in transportation – vehicles (MJ)	2,614,011	1,331,751
Greenhouse gas emissions from vehicle fleet (tonnes CO_2-e)	177.3	90.4
Total distance travelled by commercial air travel (passenger kilometres)	82,305	56,072

Total energy use

Total energy from fuels used for stationary purposes and transportation increased by approximately 96%. As stationary fuel use remains zero, this increase relates to greater vehicle fuel consumption required to support expanded service delivery.

Total energy used from electricity decreased by approximately 5%.

When electricity and transport fuel are combined, total reported energy use increased by approximately 24%. This was primarily driven by the increase in energy used by the vehicle fleet.

Energy use normalised by FTE increased by approximately 9%. This reflects the increased transport activity required to support service delivery during the reporting period, partially offset by reduced electricity use.

Indicator	2025–26	2024–25
Total energy from fuels – stationary and transportation (MJ)	2,614,011	1,331,751
Total energy used from electricity (MJ)	3,167,973	3,318,549
Units of energy used normalised by FTE (MJ)	3809	3486

Environmentally sustainable design in new buildings and infrastructure

We have two offices located in buildings that are currently rated under the NABERS scheme.

We lease four and a half floors of a 5 Star NABERS Energy-rated building in the Melbourne CBD. Our Sunshine office is located in a building with a 4.5 Star NABERS Energy rating. No other offices within our current reporting boundary have NABERS ratings.

We continue to consider environmental sustainability, energy efficiency and building performance as part of accommodation planning, office fit-outs and future leasing decisions.

Additional information on request

In compliance with the Standing Directions of the Minister for Finance under the *Financial Management Act 1994* (Vic), information relating to the 2025–26 reporting period is to be made available to ministers, members of parliament and the public on request and subject to the provisions of the *Freedom of Information Act 1982* (Vic).

Financial Management Compliance Attestation Statement

I, Llewellyn Prain, on behalf of the Responsible Body, certify that Victoria Legal Aid has no Material Compliance Deficiency with respect to the applicable Standing Directions under the *Financial Management Act 1994* and Instructions.

Llewellyn Prain

Llewellyn Prain
Chairperson

15 September 2026

07 Our finances

Like many organisations in our sector, we operate in a challenging financial environment. Our funding is not sufficient to meet growing demand for our services. This has resulted in underlying reported deficit of $17.3 million in 2025–26, which is projected to worsen in future years.

Although we currently report some unspent funds within the Legal Aid Fund, most are committed to future expenditure for specific initiatives. Our limited unallocated funds are being used to maintain service levels and meet our 2026–27 Departmental Performance Statement targets. These funds are expected to be exhausted by June 2027.

We will continue to advocate for sustainable funding for Victoria Legal Aid and the private practitioners who play a vital role in delivering legal aid services. Increased investment is essential to address our underlying funding shortfall and avoid service reductions that would further restrict community access to legal assistance and place additional pressure on the justice system.

Achieving long-term financial sustainability will remain a key priority in 2026–27. Sustainable funding is critical to our ability to deliver high-quality legal services, respond to growing demand and ensure Victorians can access support when they need it.

Financial summary	2025–26 $'000	2024–25 $'000	2023–24 $'000	2022–23 $'000	2021–22 $'000
Total income from transactions	374,092	352,825	339,926	284,447	276,148
Total expenses from transactions	-389,616	-356,264	-325,872	-291,289	-268,447
Net result from transactions	-15,524	-3439	14,054	6842	7701
Net result for the period	-17,299	-3254	13,486	-5267	3795
Net cash from (used in) operating activities	-7293	4481	29,021	12,671	23,825
Total assets	**150,203**	**171,918**	**184,122**	**170,446**	**175,192**
Total liabilities	**84,557**	**88,978**	**97,927**	**97,738**	**97,216**
Total equity	**65,642**	**82,941**	**86,195**	**72,709**	**77,976**

Financial performance review

Income

Almost 97% of our operating income is provided by the state and Commonwealth governments and the Victorian Legal Services Board and Commissioner administered Public Purpose Fund.

Our total income was $21.3 million higher than in the previous financial year.

The increase primarily related to increased state government approved service expansions (such as new court openings in Wyndham) and responding to the impacts of criminal law reform (such as bail law impacts). However, our base funding continues to be insufficient to meet the growing demand for our services, reflected in our underlying reported deficit.

Expenses

Our total expenditure was $33.3 million higher than in the previous financial year.

This increase was primarily driven by a number of factors. These include case-related payments to private practitioners who are essential to the legal aid scheme. The increased expense reflects the greater demand for our services in line with higher funding received and indexation. There was also a general increase in the cost of medical experts, interpreters and other service providers.

Employee expenses also increased. These related to state government funding decisions including the operation of the new Wyndham Law Court and bail and youth crime law changes, along with our enterprise agreement requirements.

Financial position

Our total assets decreased by $21.7 million compared to in the previous financial year.

This primarily reflects the decrease in the Legal Aid Fund balance to sustain service delivery and meet our Departmental Performance Statement targets in the short term. The remaining decrease reflects the use of property, plant and equipment for the delivery of our services.

Our liabilities decreased by $4.4 million. This primarily reflected lease payments offset by an increase in employee provisions, reflecting FTE growth to meet service expansion delivery.

Financial statements

Responsible body's declaration

The attached financial statements for Victoria Legal Aid have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, the *Australian Charities and Not-for-profit Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulations 2022*, applicable Financial Reporting Directions, Australian Accounting Standards (AAS) including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2026 and financial position of Victoria Legal Aid at 30 June 2026.

At the time of signing we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 15 September 2026.

Llewellyn Prain

Llewellyn Prain
Chairperson
15 September 2026

Toby Hemming

Toby Hemming
Chief Executive Officer
15 September 2026

Matthew Dale

Matthew Dale
Chief Financial Officer
15 September 2026

Independent Auditor's Report

Victorian Auditor-General's Office

To the Board of Victoria Legal Aid

Opinion	I have audited the financial report of Victoria Legal Aid (the Authority) which comprises the: • balance sheet as at 30 June 2026 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • Responsible Body's declaration. In my opinion the financial report presents fairly, in all material respects, the financial position of the Authority as at 30 June 2026 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012,* and complies with applicable Australian Accounting Standards- Simplified Disclosures and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*.
Basis for opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975*. My staff and I are independent of the Authority in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
The Board's responsibilities for the financial report	The Board of the Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures, the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the Board with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



MELBOURNE
22 September 2026

Charlotte Jeffries
as delegate for the Auditor-General of Victoria

VAGO
Victorian Auditor-General's Office

Auditor-General's Independence Declaration

To the Board, Victoria Legal Aid

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for Victoria Legal Aid for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit
- no contraventions of any applicable code of professional conduct in relation to the audit.



MELBOURNE
22 September 2026

Charlotte Jeffries
as delegate for the Auditor-General of Victoria

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Comprehensive operating statement[(i)]

For the financial year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
CONTINUING OPERATIONS			
Revenue and income from transactions			
Grants from Government			
Grants received from the Commonwealth Government	2.2	80,343	78,136
Grants received from the State Government	2.2	160,127	200,441
Grants received from the Public Purpose Fund	2.3	122,168	62,841
Total - Grants from Government		**362,637**	**341,418**
Other Income			
Client contributions towards legal assistance	2.4	4,161	2,821
Costs recovered and costs awarded from the Appeal Costs Fund	2.5	2,422	2,041
Interest and other income	2.6	4,872	6,545
Total - Other Income		**11,455**	**11,407**
Total revenue and income from transactions		**374,092**	**352,825**
Expenses from transactions			
Case-related professional payments	3.2	(135,871)	(123,492)
Community legal centre payment - State Government grant funded	3.3	(41,275)	(38,625)
Employee benefit expenses	3.4	(177,595)	(159,684)
Depreciation and amortisation	5.1.2 & 5.2	(10,666)	(11,021)
Interest expense	7.1	(1,330)	(1,683)
Other operating expenses	3.5	(22,879)	(21,759)
Total expenses from transactions		**(389,616)**	**(356,264)**
Net result from transactions (net operating balance)		**(15,524)**	**(3,439)**
Other economic flows included in net result			
Net gain/(loss) on non-financial assets[(ii)]	9.2	(1,777)	186
Total other economic flows included in net result		**(1,777)**	**186**
Net result from continuing operations		**(17,299)**	**(3,254)**
Net result		**(17,299)**	**(3,254)**

(i) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting.*

(ii) 'Net gain/(loss) on non-financial assets' includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

The accompanying notes form part of these financial statements.

Balance sheet[(i)]

As at 30 June 2026

	Notes	2026 $'000	2025 $'000
Assets			
Financial assets			
Cash and deposits	7.2.1	81,199	104,706
Receivables	6.1	19,070	16,251
Other assets	6.2	2,356	1,316
Total financial assets		**102,625**	**122,273**
Non-financial assets			
Property, plant and equipment	5.1	33,977	38,054
Intangible assets	5.2	13,601	11,591
Total non-financial assets		**47,578**	**49,645**
Total assets		**150,203**	**171,918**
Liabilities			
Payables	6.3	21,640	24,027
Leases	7.1	26,488	34,137
Employee related provisions	3.4.2	34,174	28,856
Other provisions	6.4	2,255	1,958
Total liabilities		**84,557**	**88,978**
Net assets		**65,642**	**82,941**
Equity			
Contributed capital		43,576	43,576
Accumulated surplus		22,066	39,365
Net worth		**65,642**	**82,941**

(i) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting.*

The accompanying notes form part of these financial statements.

Cash flow statement[(i)]

For the financial year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Cash flows from operating activities			
Receipts from Government Grants			
Receipts from the Commonwealth Government*		79,296	76,397
Receipts from State Government*		158,565	200,441
Receipts from Public Purpose Fund		122,168	62,841
Client contributions received		2,916	2,001
Costs recovered and costs awarded from the Appeal Costs Fund		2,071	1,653
Interest received		4,869	6,459
Goods and services tax recovered from the ATO[(ii)]		23,304	20,108
Other receipts		2	95
Total receipts		**393,191**	**369,995**
Payments to suppliers and employees			
Case-related professional payments		(140,813)	(127,214)
Payments to employees		(178,763)	(162,031)
Interest payments		(1,330)	(1,683)
Community legal centre payment - Grant funded		(41,275)	(38,316)
Other payments		**(38,303)**	**(36,270)**
		(400,484)	**(365,514)**
Net cash flows from/(used in) operating activities		**(7,293)**	**4,481**
Cash flows from investing activities			
Payments for non-financial assets		(8,005)	(3,874)
Proceeds from sale of non-financial assets		29	304
Net cash from/(used in) investing activities		**(7,976)**	**(3,570)**
Cash flows from financing activities			
Repayment of principal portion of lease liabilities[(iii)]		(8,005)	(7,813)
Net cash flows from/(used in) financing activities		**(8,005)**	**(7,813)**
Net increase/(decrease) in cash and cash equivalents		(23,274)	(6,902)
Cash and cash equivalents at the beginning of the financial year		103,912	110,814
Cash and cash equivalents at the end of the financial year[(iv)]	7.2.1	**80,637**	**103,912**

(i) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting.*
(ii) GST received from the Australian Taxation Office (ATO) is presented on a net basis.
(iii) Victoria Legal Aid has recognised cash payments for the principal portion of lease payments as financing activities; cash payments for the interest portion as operating activities consistent with the presentation of interest payments and short-term lease payments for leases and low-value assets as operating activities.
(iv) Excludes funds on deposit for IBAC matters and administered funds.
* Where necessary prior year comparatives have been changed.

The accompanying notes form part of these financial statements.

Statement of changes in equity[(i)]

For the financial year ended 30 June 2026

	Accumulated Surplus $'000	Contributed Capital $'000	Total $'000
Balance at 1 July 2024	42,619	43,576	86,195
Net result for the year	(3,254)	-	(3,254)
Balance at 30 June 2025	**39,365**	**43,576**	**82,941**
Net result for the year	(17,299)	-	(17,299)
Balance as 30 June 2026	**22,066**	**43,576**	**65,642**

(i) This format is aligned to AASB 1049 *Whole of Government and General Government Sector Financial Reporting.*

The accompanying notes form part of these financial statements.

1 About this report

Victoria Legal Aid is a statutory authority of the State of Victoria. The authority was established under the *Legal Aid Act 1978*.

Its principal address is:

Victoria Legal Aid
Level 9, 570 Bourke Street
Melbourne, VIC 3000

A description of the nature of our operations and principal activities is included in the Report of Operations, which does not form part of the financial statements.

Basis of preparation

These financial statements are Tier 2 general purpose financial statements prepared in accordance with AASB 1060 General Purpose Financial Statements – *Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and Financial Reporting Direction 101 *Application of Tiers of Australian Accounting Standards* (FRD 101).

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the organisation.

Capital Grants which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or distributions by owners have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgement or estimates'.

All amounts in the financial statements have been rounded to the nearest $1,000 unless otherwise stated.

Compliance information

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994*, the *Australian Charities and Not-for-profit Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulations* 2022 and the applicable AASs, which includes interpretations issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AASs paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Going concern

The financial report has been prepared on a going-concern basis. Victoria Legal Aid is funded predominantly by regular grants from the Victorian and Commonwealth Governments. The Commonwealth funding is provided under the National Access to Justice Party (NAJP) Partnership Agreement, which has been signed up to 2030. The Department of Justice and Community Safety Victoria provides continued support through the annual Victorian State Budget Papers. Ongoing discussions are continuing with the Victorian Government to seek additional funding to meet the long-term challenges of increasing demand for legal assistance.

These financial statements have been prepared in the reasonable expectation that such funding will continue from both the Victorian and Commonwealth Governments.

2 Funding the delivery of our services

Introduction

This section presents the sources and amounts of revenue raised by Victoria Legal Aid.

The objectives of Victoria Legal Aid as detailed in the *Legal Aid Act 1978* are:

(i) to provide legal aid in the most effective, economic and efficient manner;

(ii) to manage its resources to make legal aid available at a reasonable cost to the community and on an equitable basis throughout the state;

(iii) to ensure the coordination of the provision of legal aid so that it responds to the legal and related needs of the community;

(iv) to ensure the coordination of the provision of legal assistance information so that the information responds to the legal and related needs of the community, including by being accessible, current, high quality, and of sufficient breadth;

(v) to provide to the community improved access to justice and legal remedies; and

(vi) to pursue innovative means of providing legal aid directed at minimising the need for individual legal services in the community.

Significant judgement - Grant revenue

Victoria Legal Aid has made the judgement that funding received under base funding, discrete demand funding, one-off initiatives and community legal centre funding agreements contains enforceable rights and obligations and sufficiently specific performance obligations. This assessment required management to evaluate the terms and conditions of each funding agreement, including the nature of the services to be delivered, reporting requirements and any obligations attached to the funding. Based on this assessment, management concluded that these arrangements meet the criteria for recognition under AASB 15 *Revenue from Contracts with Customers*, with revenue recognised as the related performance obligations are satisfied.

Where funding agreements do not contain enforceable and sufficiently specific performance obligations, management has determined that the requirements of AASB 15 are not met and the funding is recognised under AASB 1058 *Income of Not-for-Profit Entities* when control of the asset is obtained.

Structure

2.1 Summary of income that funds the delivery of our services

2.2 Government grants

2.3 Public Purpose Fund grants

2.4 Client contributions towards legal assistance

2.5 Costs recovered and costs awarded from the Appeal Costs Fund

2.6 Interest on investments and other income

Commonwealth Government Funding

The Commonwealth Government $80.3 million of grant funding in 2026 (2025: $78.1 million).

Funding through the National Legal Partnership Agreement (NLAP) expired on 30 June 2025 (2025: $59.9m). A new funding agreement was entered into since then. Effective from 1 July 2025, the Commonwealth and Victorian State Government entered into a new five-year agreement, the National Access to Justice Partnership (NJAP), which will run until 30 June 2030. The agreement aims to deliver accessible, effective, and high quality legal assistance services, particularly to vulnerable and disadvantaged Australians. NJAP funding as at 30 June 2026 was $75.1 million.

The Commonwealth also provides funding to community legal centres on a quarterly basis which Victoria Legal Aid receives on their behalf and then distributes as per the funding schedule provided by the Commonwealth. Victoria Legal Aid does not control the allocation of grants received from the Commonwealth Government and consequently does not account for these funds in its financial statements as income or expenditure. The total amount received from the Commonwealth for community legal centres to 30 June 2026 was $37.1 million (2025: $29.2 m) and is disclosed in note 4.1 Administered items.

State Government Funding

The State Government provided $160.1 million of grant funding in 2026 (2025: $200.4 m). Funding includes ongoing operating funding (base funding) along with specific initiatives funding (specific funding) which are non-discretionary in nature.

Victoria Legal Aid administers the distribution of base funding for community legal centres (CLC) on behalf of the Victorian State Government. Victoria Legal Aid respects the historical basis for these funding allocations set by the Victorian State Government and seeks advice annually on any indexation received and ensures the equivalent funding is passed onto CLCs. For the year ended 30 June 2026, Victoria Legal Aid administered $33.6 million of direct funds (2025: $28.4 m) and $7.7 million of project funds (2025: $10.2 m). Victoria Legal Aid has accounted for these grants as revenue in its financial statements.

Public Purpose Fund

Funds are also provided from the Public Purpose Fund as detailed in note 2.3.

2.1 Summary of revenue and income that funds the delivery of our services

	Notes	2026 $'000	2025 $'000
Government grants	2.2	240,470	278,577
Public Purpose Fund grants	2.3	122,168	62,841
Client contributions towards legal assistance	2.4	4,161	2,821
Costs recovered and costs awarded from the Appeal Costs Fund	2.5	2,422	2,041
Interest and other income	2.6	4,872	6,545
Total revenue and income from transactions		**374,092**	**352,825**

Revenue and income that fund the delivery of Victoria Legal Aid's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes. All amounts of income over which Victoria Legal Aid does not have control are not included in the totals above and are disclosed as administered income (see note 4.2).

2.2 Government grants

Grants recognised under AASB 1058

Victoria Legal Aid has determined that the grant income included in the table below under AASB 1058 has been earned under arrangements that are either not enforceable and/or not linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when Victoria Legal Aid has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, Victoria Legal Aid recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004 *Contributions*;
- revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15 *Revenue from Contracts with Customers*;
- a lease liability in accordance with AASB 16 Leases;
- a financial instrument, in accordance with AASB 9 *Financial Instruments*; or
- a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Income received for specific purpose grants for on-passing is recognised simultaneously as the funds are immediately passed on to the relevant recipient entities on behalf of the Commonwealth Government.

Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15.

Revenue is recognised when Victoria Legal Aid satisfies the performance obligation by delivering the relevant outcomes to the relevant customers. This is recognised based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur. The funding payments are normally received in advance or shortly after the relevant obligation is satisfied.

	2026 $'000	2025 $'000
Grants recognised under AASB 1058 as income of Not-for-profit entities:		
Commonwealth grants		
National Legal Assistance Partnership Agreement base funding	75,125	59,871
Expensive Commonwealth Criminal Cases	245	459
Specific initiative grants	4,973	17,806
Total Commonwealth grants	**80,343**	**78,136**
Grants recognised under AASB 15 as revenue from contract with customers:		
State grants		
Base funding	138,278	85,596
Total base/ongoing funding[(i)]	**138,278**	**85,596**
One-off Initiatives*	1,241	9,808
Discrete demand funding*	12,712	66,228
Total specific funding[(i)]	**13,953**	**76,036**
Community legal centre funding		
Community legal centre initiative funding	7,897	38,809
Total Funding community legal centre funding[(ii)]	**7,897**	**38,809**
Total State grants and specific project grants	**160,127**	**200,441**
Total grants	**240,470**	**278,577**

* Where necessary, comparative information has been reclassified to conform with the current year's presentation.

(i) Variance primarily reflects a reclassification of additional service expansion funding approved in previous years to base funding reflecting the nature of the funding to support ongoing service delivery

(ii) Reduction in funding this year reflects a temporary change to funding arrangements for some State funded services in 2025-26 reflected in note 2.3.

2.3 Public Purpose Fund grants

Funding grants from the Public Purpose Fund are distributed to the Legal Aid Fund pursuant to section 6.7.9 of the *Legal Profession Act 2004* and are recognised as revenue when received. The Public Purpose Fund comprises interest and investment earnings on clients' funds held in solicitors' trust accounts. The amount of any distribution from the Public Purpose Fund to Victoria Legal Aid can vary from year to year depending on its investment performance and any other calls that may be made on the fund, as set out in the *Legal Profession Act 2004*.

	2026 $'000	2025 $'000
Public Purpose Fund - base funding	120,138	56,353
Public Purpose Fund - initiative funding	2,030	6,488
Total[(i)]	**122,168**	**62,841**

(i) Increased funding this year reflects a temporary change to funding arrangements for some State funded services in 2025-26 in note 2.2

2.4 Client contributions towards legal assistance

Granting of legal assistance

Pursuant to the *Legal Aid Act 1978*, as amended, Victoria Legal Aid is empowered to make a grant of legal assistance subject to certain conditions. Under section 27 of the Act, Victoria Legal Aid may require a client to:

- make a contribution towards the cost of providing assistance;
- make a contribution in respect of any out-of-pocket expenses incurred in providing assistance;
- pay contributions in such a manner and within such a time as Victoria Legal Aid directs; or
- provide Victoria Legal Aid with security against costs incurred on their behalf.

In accordance with Victoria Legal Aid's means test and asset guidelines, a client may or may not be required to make a contribution towards the cost of their legal assistance and an assessment is made to determine the amount. Revenue from the provision of legal services to clients is recognised at its recoverable amount. Contributions for services are only recognised when the recoverable amount can be reliably determined. Annually this amount is reviewed for impairment and a provision for impairment raised for estimated irrecoverable amounts and presented as a receivable in note 6.1. Where contributions are deemed to be irrecoverable they are written off as bad debts when identified. There are two types of contributions that can be imposed, secured and unsecured:

- **secured contributions** are established based on expected proceeds from the disposal of property and a client is directed to sign an agreement that will place a caveat over the client's property; and
- **unsecured contributions** are where the client is directed to make regular cash payments towards their legal matters.

	2026 $'000	2025 $'000
Client contributions - secured	2,155	1,743
Client contributions - unsecured	2,006	1,077
Total	**4,161**	**2,821**

2.5 Costs recovered and costs awarded from Appeal Costs Fund

Revenue arising from costs recovered and costs awarded from the Appeal Costs Fund is recognised when Victoria Legal Aid has the right to receive revenue.

Costs recovered relate to court ordered reimbursements of legal costs incurred to be made to Victoria Legal Aid from a third party.

Costs awarded from the Appeals Cost Fund are court ordered reimbursements in criminal cases to cover costs that would otherwise be incurred more than once due to adjournments and abandonment of proceedings at no fault of the prosecution or the defendant. The administration and payment of these matters is handled by the Appeal Costs Board.

	2026 $'000	2025 $'000
Costs recovered	1,554	1,371
Costs awarded	868	670
Total	**2,422**	**2,041**

2.6 Interest and other income

Interest income includes interest received on bank deposits. Interest income is recognised using the effective interest method, which allocates the interest over the relevant period.

Other income includes reimbursements and other minor income and is recognised when the right to receive payment is established.

	2026 $'000	2025 $'000
Interest income	4,869	6,459
Other income	3	86
Total	**4,872**	**6,545**

3 The cost of delivering services

Introduction

This section provides an account of the expenses incurred by Victoria Legal Aid in delivering our services. In section 2, the funds that enable the provision of services were disclosed and in this note the costs associated with provision of services are recorded.

Structure

3.1 Expenses incurred in delivery of services

3.2 Case-related professional payments

3.3 Community legal centre payments

3.4 Employee benefit expenses

3.5 Other operating expenditure

3.1 Expenses incurred in delivery of services

	Notes	2026 $'000	2025 $'000
Case-related professional payments	3.2	135,871	123,492
Community legal centre payments	3.3	41,275	38,625
Employee benefit expenses	3.4.1	177,595	159,684
Other operating expenditure	3.5	22,879	21,759
Total expenses incurred in delivery of services		**377,620**	**343,560**

3.2 Case-related professional payments

Case related and duty lawyers expenses are payments made to private sector panel members for legal work undertaken on behalf of Victoria Legal Aid. Other case-related expenditure includes mediation, interpreter fees, medical reports and conduct monies. Payments are recognised as an expense in the reporting period in which they are incurred and fluctuate depending on demand and types of cases funded.

	2026 $'000	2025 $'000
Case-related legal expenditure	118,888	111,051
Duty lawyer expenses	6,853	6,584
Other case-related expenditure	10,129	5,858
Total case-related professional payments	**135,871**	**123,492**

3.3 Community legal centre payments

Payments made to community legal centres are recognised as an expense in the reporting period in which they are incurred.

	2026 $'000	2025 $'000
Base funds to community legal centres	33,557	28,442
Initiative funds to community legal centres	7,718	10,183
Total community legal centre payments[(i)]	**41,275**	**38,625**

Funding is provided from the State Government to administer the distribution of funds for community legal centres.

Victoria Legal Aid also receives and administers funding to community legal centres on behalf of the Commonwealth Government which is included in note 4.2.

(i) Excludes costs incurred by Victoria Legal Aid in the administration of community legal centre funding.

3.4 Employee benefit expenses

3.4.1 Employee benefit expenses in the comprehensive operating statement

Employee benefit expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements and WorkCover premiums.

	2026 $'000	2025 $'000
Employee benefit expenses		
Salaries and wages	139,026	126,315
Annual leave and long service leave	19,056	16,468
Superannuation	18,860	16,443
WorkCover premiums	653	458
Total employee benefit expenses[(i)]	**177,595**	**159,684**

(i) The increase in salaries and wages primarily relates to expanded service delivery reflecting new positions to support government funded initiatives in Wyndham Law Courts, Bail Law, Youth Uplift Funding and expansion of Help Before Court and Independent Advocacy and Support as well as general salary increase as per VLA's enterprise agreement.

The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period. The defined benefit plan(s) provides benefits based on years of service and final average salary. The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans. Victoria Legal Aid does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. Instead, Victoria Legal Aid accounts for contributions to these plans as if they were defined contribution plans under AASB 119 *Employee Benefits*. The Department of Treasury and Finance (DTF) discloses in its annual financial statements the net defined benefit cost related to the members of these plans as an administered liability (on behalf of the State as the sponsoring employer).

Termination benefits (part of salaries and wages) are payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when Victoria Legal Aid is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

3.4.2 Employee related provisions

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave (LSL) for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2026 $'000	2025 $'000
Current provisions		
Annual Leave	11,000	9,201
Long Service Leave	13,191	11,679
On-costs	3,000	2,473
Total current provision for employee benefits	**27,191**	**23,353**
Non-current provisions		
Long Service Leave	6,212	4,920
On-costs	771	583
Total non-current provisions for employee benefits	**6,983**	**5,503**
Total provision for employee benefits	**34,174**	**28,856**

Wages, salaries, sick leave and annual leave

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as current liabilities, because Victoria Legal Aid does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As Victoria Legal Aid expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as Victoria Legal Aid does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Comprehensive Operating Statement as it is taken.

Employment on-costs such as workers compensation and superannuation are not employee benefits.
They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred. The on-costs provision is immaterial in 2026.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Unconditional long service leave is disclosed as current liability (representing seven or more years of continuous service) even where Victoria Legal Aid does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave or depart within 12 months.

The components of this current LSL liability are measured at either:

- undiscounted value—component that Victoria Legal Aid expects to wholly settle within 12 months; or
- present value—component that Victoria Legal Aid does not expect to wholly settle within 12 months.

Conditional long service leave is disclosed as non-current liability (representing less than seven years of continuous service). There is a conditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current long service leave liability is recognised as a transaction except to the extent that a gain or loss arises due to changes in bond interest rates which is recognised as 'other economic flows' in the Comprehensive Operating Statement.

3.5 Other operating expenditure

Other operating expenditures generally represent the day-to-day running costs incurred in normal operations.

	2026 $'000	2025 $'000
Contractors and consultants	3,064	2,816
Supplies and Services	3,899	3,905
Occupancy expenses	4,455	4,170
Information Technology expenses	6,769	6,350
Bad debts	23	110
Other operating expenses	4,669	4,410
Total other operating expenditure	**22,879**	**21,759**

Contractors and consultants

Contractors and consultants are recognised as an expense in the period in which they are incurred.

Supplies and services

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when the inventories are distributed.

Occupancy expenses

The following lease payments are recognised on a straight-line basis:

- Short-term leases – leases with a term 12 months or less; and
- Low value leases – leases with the underlying asset's fair value (when new, regardless of the age of the asset being leased) is no more than $10,000.

Variable lease payments that are not included in the measurement of the lease liability (i.e. variable lease payments that do not depend on an index or a rate and which are not, in substance fixed) such as those based on performance or usage of the underlying asset, are recognised in the Comprehensive Operating Statement (except for payments which has been included in the carrying amount of another asset) in the period in which the event or condition that triggers those payments occur.

Remaining leases are recognised as a Right of Use Asset or Liability in line with AASB 16 Leases and are disclosed in note 7.1.

Information technology expenses

Information management systems expense includes equipment maintenance and licence fees associated with internet, video conferencing and software.

Bad debts

Bad and doubtful debts are assessed on a regular basis. In line with AASB 9, Victoria Legal Aid account for the expected loss on an annual basis until the date it is paid. The concept of expected credit losses (ECLs) means that Victoria Legal Aid must look at how current and future economic conditions impact the amount of loss.

Other operating expenses

Other operating expenses are minor in nature such as travel and accommodations, organizational development and training, minor purchases, National Legal Aid Cost and other miscellaneous expenses representing day to day running cost incurred in normal operations. They are recognized as an expense in the period in which they are incurred.

4 Administered (non controlled items)

This section provides information on funds administered by Victoria Legal Aid which it does not control and consequently are not included in its financial statements as income or expenditure. Administered items are consolidated into the financial statements of the State.

Structure

4.1 Community legal centre payments - Commonwealth Government grant funded

4.2 Trust account

4.1 Community legal centre payments - Commonwealth Government grant funded

Funding through the National Legal Partnership Agreement (NLAP) expired on 30 June 2025 (2025: $59.9m). A new funding agreement was entered into since then. Effective from 1 July 2025, the Commonwealth and Victorian State Government entered into a new five-year agreement, the National Access to Justice Partnership (NJAP), which will run until 30 June 2030. The agreement aims to deliver accessible, effective, and high quality legal assistance services, particularly to vulnerable and disadvantaged Australians. NJAP funding as at 30 June 2026 was $75.1m.

4.2 Trust account

Victoria Legal Aid as a corporate entity under the *Legal Practice Act 1996* (Vic) maintains a trust account in accordance with that Act for the purpose of receiving money on account of legal costs in advance of provision of legal services from clients or their representatives.

Administered (non-controlled) items

For the financial year ended 30 June 2026

	Community legal centres		Trust account		Total	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Administered income from transactions						
Income received from the Commonwealth	37,069	29,254	-	-	37,069	29,254
Trust account receipts	-	-	901	672	901	672
Total administered income from transactions	**37,069**	**29,254**	**901**	**672**	**37,970**	**29,926**
Administered expenditure from transactions						
Payments made on behalf of the Commonwealth Government	(37,069)	(29,254)	-	-	(37,069)	(29,254)
Trust account payments	-	-	(272)	(275)	(272)	(275)
Total administered expenditure from transactions	**(37,069)**	**(29,254)**	**(272)**	**(275)**	**(37,341)**	**(29,529)**
Total administered net result from transactions	**-**	**-**	**629**	**397**	**629**	**397**
Assets						
Financial assets	-	-	629	397	629	397
Total assets	**-**	**-**	**629**	**397**	**629**	**397**
Liabilities						
Income in advance	-	-	(629)	(397)	(629)	(397)
Total liabilities	**-**	**-**	**(629)**	**(397)**	**(629)**	**(397)**
Net assets	**-**	**-**	**-**	**-**	**-**	**-**

5 Key assets available to support delivery of our services

Introduction

Victoria Legal Aid controls property, plant, equipment and intangible assets that are utilised in fulfilling its objectives and conducting its activities.

Structure

5.1 Property, plant and equipment

5.2 Intangibles

5.1 Property, plant and equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Information technology at fair value[(i)]	1,024	1,019	(864)	(711)	160	308
Leasehold improvement at fair value	20,067	17,726	(12,599)	(11,505)	7,468	6,221
Furniture, fixtures and fittings at fair value	296	285	(182)	(155)	114	130
Office machines and equipment at fair value	25	294	(277)	(274)	(252)	20
Right-of-use assets: buildings, information technology and vehicles[(ii)]	68,094	67,500	(47,228)	(39,708)	20,866	27,792
Cultural assets at fair value	210	180	-	-	210	180
Assets under construction at cost[(iii)]	5,143	3,403	-	-	5,143	3,403
Net carrying amount	**94,859**	**90,407**	**(61,150)**	**(52,353)**	**33,708**	**38,054**

(i) Excludes software and other IT intangibles disclosed separately in note 5.2.

(iii) As a result of a change in FRD 104 Leases effective for reporting periods on or after 30 June 2026, right-of-use assets are measured at cost for reporting period 2026. The comparative information for reporting period 2025 is not restated and is reported at the previously determined fair value. For further information, refer to Note 9.3.

(iii) The assets under construction balance is due to the Digital Legal Aid program, primarily funded through the Public Purpose Fund and major building works at various sites. This will be transferred to intangible assets on completion.

Items of property, plant and equipment (PPE) are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition. The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The following tables are right-of-use assets included in the PPE balance above, presented by subsets of buildings, motor vehicles and information technology equipment.

5.1 (a) Total right-of-use assets: building, motor vehicles, and information technology equipment

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2026 $'000	2025 $'000	2026 $'000	2025 $'000	2026 $'000	2025 $'000
Building[(i)]	62,301	63,015	(43,120)	(36,721)	19,181	26,294
Motor vehicles[(i)]	1,253	1,110	(817)	(457)	436	653
Information technology equipment[(i)]	4,540	3,375	(3,291)	(2,530)	1,249	845
Net carrying amount	**68,094**	**67,500**	**(47,228)**	**(39,708)**	**20,866**	**27,792**

	Building $'000	Motor vehicles $'000	Information technology equipment $'000
Opening balance - 1 July 2025[(i)]	26,294	653	845
Adjustment	-	-	-
Additions	17	143	1,170
Disposals	(731)	-	(5)
Depreciation	(6,399)	(360)	(763)
Closing balance - 30 June 2026	**19,181**	**436**	**1,249**

(i) As a result of a change in FRD 104 Leases effective for reporting periods on or after 30 June 2026, right-of-use assets are measured at cost for reporting period 2026. The comparative information for reporting period 2025 is not restated and is reported at the previously determined fair value. For further information, refer to Note 9.3.

Right-of-use assets acquired by lessee - initial measurement

A right-of-use asset and a lease liability is recognised at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentive received;
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

Right-of-use-asset - Subsequent measurement

Right-of-use assets are subsequently measured at cost less accumulated depreciation, impairment and any adjustments for remeasurement of the lease liability. Victoria Legal Aid depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment of right-of-use assets is determined and accounted for in accordance with AASB 136 *Impairment of Assets*.

Impairment of right-of-use assets

Victoria Legal Aid assessed all right-of-use assets for impairment, and no indicators of impairment are identified as at 30 June 2026.

Impairment of property, plant and equipment

The recoverable amount of primarily non-cash-generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 *Impairments of Assets* does not apply to such assets that are regularly revalued.

Leasehold improvements

The cost of improvements to leasehold properties is depreciated over term of the lease or the estimated useful life of the improvement. Leasehold improvements are measured at cost less accumulated depreciation and impairment.

Where applicable, leasing contract include a component for leasehold make-good at the end of the lease. A corresponding provision for decommissioning expense is created based on expected expense.

Cultural assets

Cultural assets such as artworks that Victoria Legal Aid intends to preserve because of their unique cultural and historical attributes are valued at fair value.

Depreciation

All buildings, plant and equipment and other non-financial physical assets that have finite useful lives, are depreciated. The exceptions to this rule include items under assets held for sale, cultural assets and land.

Depreciation is calculated on a straight-line basis to write off the net cost of each item over its expected useful life to its estimated residual value. Estimates of useful lives, residual values and depreciation method are reviewed on a regular basis. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

The following useful lives are used for each major class of depreciable assets for the current and prior years:

Information technology equipment	3 years
Buildings and leasehold improvements	3 - 13 years
Furniture, fixtures and fittings	10 years
Motor vehicles	3 years
Office machines and equipment	6 - 10 years
Intangible assets	3 - 10 years

Right-of use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the entity obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset overs its useful life.

Leasehold improvements are depreciated over the shorter of the lease term or their useful lives.

Indefinite life assets: Cultural assets, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

5.1.2 Reconciliation of movements in carrying amount of property, plant and equipment

	Information technology	Furniture, fixtures and fittings	Leasehold improvement	Right-of-use assets: buildings, information technology and vehicles[(i)]	Office machines and equipment	Cultural assets	Assets under construction	Total
	At fair value	At fair value	At fair value	At cost	At fair value	At fair value	At cost	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2026								
Carrying amount at start of year	308	130	6,221	27,792	20	180	3,403	38,054
Adjustment	-	-	-	-	-	-	-	-
Additions - right-of-use assets	-	-	-	1,330	-	-	8,005	9,335
Additions - property, plant and equipment	-	-	-	-	-	-	-	-
Disposals	-	-	-	(736)	-	-	-	(736)
Transfers in/(out) to property, plant and equipment	5	11	2,340	-	-	30	(2,386)	-
Transfers out to intangible assets	-	-	-	-	-	-	(3,879)	(3,879)
Depreciation	(153)	(27)	(1,094)	(7,522)	(2)	-	-	(8,798)
Carrying amount at end of year	**160**	**114**	**7,468**	**20,866**	**17**	**210**	**5,143**	**33,977**

(i) As a result of a change in FRD 104 Leases effective for reporting periods on or after 30 June 2026, right-of-use assets are measured at cost for reporting period 2026. The comparative information for reporting period 2025 is not restated and is reported at the previously determined fair value. For further information, refer to Note 9.3.

5.2 Intangible assets

Victoria Legal Aid intangible assets consist of software.

	2026 $'000
Gross carrying Amount	
Opening balance	25,465
Transfers in from property, plant and equipments	3,879
Closing balance	**29,344**
Accumulated amortisation and impairment	
Opening balance	(13,872)
Amortisation	(1,868)
Closing balance	**(15,740)**
Net balance	**13,601**

Initial recognition

Purchased intangible assets are initially recognised at cost. When the recognition criteria in AASB 138 Intangible Assets is met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Depreciation and amortisation begins when the asset is available for use, that is, when it is in location and condition necessary for it to be capable of operating in the manner intended by management.

An **internally generated intangible asset** arising from development is recognised if, and only if, all of the following are demonstrated:

(a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;

(b) an intention to complete the intangible asset and use or sell it;

(c) the ability to use or sell the intangible asset;

(d) the intangible asset will generate probable future economic benefits;

(e) the availability of adequate technical, financial and other resources to complete the development and to scrap or sell the intangible asset; and

(f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Subsequent measurement

Intangible assets are measured at cost less accumulated amortisation and impairment, and are amortised on a straight-line basis over their useful lives. The amortisation period is three to ten years.

Impairment of intangible assets

Intangible assets are tested annually for impairment and whenever there is an indication that the asset may be impaired.

Significant intangible assets

Victoria Legal Aid has capitalised software development expenditure for the development of software from the Digital Legal Aid program. The total amount capitalised in 2025-26 for Digital Legal Aid software development expenditure is $3.9 million (2025: $1.4 million).

6 Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from Victoria Legal Aid's operations.

Structure

6.1 Receivables

6.2 Other non-financial assets

6.3 Payables

6.4 Other provisions

6.1 Receivables

	2026 $'000	2025 $'000
Contractual		
Secured		
Secured client contributions receivable*	24,122	21,291
Provision for secured client contributions	(11,075)	(10,760)
Total secured client contributions receivable at net present value	**13,047**	**10,531**
Unsecured		
Unsecured client contributions receivable	6,177	7,199
Provision for unsecured client contributions	(3,986)	(3,148)
Total unsecured client contributions receivable at net present value	**2,191**	**4,051**
Total client contributions	**15,238**	**14,582**
Other receivables	2,122	31
Total contractual receivables	**17,360**	**14,613**
Statutory		
GST receivable	1,709	1,639
Total statutory receivables	**1,709**	**1,639**
Total receivables	**19,070**	**16,251**
Represented by:		
Current receivables	5,071	3,240
Non-current receivables	13,999	13,011
	19,070	**16,251**

* includes secured client contributions receivables on unfinalised matters

Contractual receivables

Contractual receivables are classified as financial instruments and categorised as 'financial assets at amortised cost'. They are initially recognised at fair value plus any directly attributable transaction costs. Victoria Legal Aid holds the contractual receivables with the objective of collecting the contractual cash flows, they are therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments for disclosure purposes. Victoria Legal Aid applies AASB 9 for initial measurement of the statutory receivables and as a result statutory receivables are initially recognised at fair value plus any directly attributable transaction cost.

Client contributions

Measurement of receivables for client contributions is based on an actuarial assessment completed by Finity Consulting Pty Limited actuaries who perform an annual independent assessment of the net present value of receivables. The analysis undertaken reviews the receivable portfolio, recovery history and the current and forecast financial environment to determine a recoupment pattern. This payment pattern was discounted by 5.15% (2025: 4.70%) for secured receivables, which is the forecast earnings rate of Victoria Legal Aid's investment portfolio to determine the net present value. The average repayment time for unsecured receivables is significantly less than that for secured, and therefore a different discount rate of 4.95%was used for 2026 (2025: 4.40%).

6.1.1 Movement in the provision for client contributions receivable

	2026 $'000	2025 $'000
Provision for secured client contributions		
Balance at 1 July 2025	10,760	10,764
Movements in actuarial assessment of secured client contributions receivable	314	(4)
Balance at 30 June 2026	**11,075**	**10,760**
Provision for unsecured client contributions		
Balance at 1 July 2025	3,148	2,885
Increase/(decrease) in provision for re-assessments and bad debt write-downs	23	108
Movements in actuarial assessment of unsecured client contributions receivable	815	155
Balance at 30 June 2026	**3,986**	**3,148**
Total provision for client contributions	**15,061**	**13,908**

A provision is made against secured client contributions, determined by the actuarial assessment of the recoverable amount. Secured debtors are long term, therefore the balance is measured at the net present value. The recoverable amount estimates the extent of future debts receivable after adjustments and the discount to net present value.

A provision for impairment has been made for unsecured client contributions receivable. The assessment estimates future cash flows receivable after adjustments and bad debts determined by reference to past default experience, and discounts the estimate to the net present value.

6.2 Other assets

	2026 $'000	2025 $'000
Current other assets		
Prepayments	2,352	1,312
Accrued Income	4	4
Total current other assets	**2,356**	**1,316**
Non-current other assets		
Other		
Total Non-current other assets		
Total other assets	**2,356**	**1,316**

Prepayments represent payments in advance of receipt of goods or services or the payments made for services covering a term extending beyond that financial accounting period.

Accrued income represents amounts that Victoria Legal Aid has earned through the provision of goods and services or obtained the right to receive. The amounts are recognised as an asset and income if the income recognition criteria are met but the cash will be received in the new reporting period.

6.3 Payables

	2026 $'000	2025 $'000
Contractual payables		
Case-related professional	11,728	13,676
Supplies and services	8,523	9,119
Funds on deposit for Independent Broad-based Anti-corruption Commission (IBAC) matters	1,191	1,191
Statutory payables		
GST	197	41
Total payables	**21,640**	**24,027**
Represented by:		
Current payables	21,640	24,027
Non-current payables	-	-
	21,640	**24,027**

Payables are recognised when Victoria Legal Aid becomes obliged to make future payments resulting from the purchase of goods and services.

Payables consist of:

- **contractual payables**, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to Victoria Legal Aid prior to the end of the financial year that are unpaid; and
- **statutory payables**, that are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

Case-related professional payables

This represents amounts owing to Victoria Legal Aid's panel members for legal work undertaken on behalf of Victoria Legal Aid. The amount owing to legal creditors for work performed comprises two components:

(i) amounts certified but not paid; and

(ii) amounts incurred but not yet invoiced at balance date.

This amount does not reflect the total expected expenditure related to all approved grants of legal assistance. The remaining grant commitment is reflected in note 7.3 which will be incurred in future years. Victoria Legal Aid needs to retain sufficient level of cash to ensure it can meet these commitments when they fall due.

Measurement of outstanding payments for case-related professional creditors is based on an assessment of outstanding claims. The assessment makes reference to historical debt recognition, repayments and balance movements to model the updated estimate.

An assessment was undertaken by Victoria Legal Aid to identify amounts owing to legal creditors for work performed prior to 30 June 2026 but not yet invoiced. The assessment is based on an analysis of all historical files. These were examined to determine an average cost per file, the average period for finalisation and typical payment profile. We have estimated the value of work in progress by comparing the payments made on each file at balance date with the expected average payment for the file, and made an adjustment to our legal creditors balance for the difference.

No interest charge is applicable.

Supplies and services payable

Supplies and services represent liabilities for goods and services provided to Victoria Legal Aid prior to the end of the financial year that are unpaid with an average credit period of 30 days.

The terms and conditions of amounts payable to the government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

Funds on deposit for IBAC matters

Victoria Legal Aid receives funding from the Department of Justice and Community Safety to provide legal assistance for witnesses examined by IBAC. The money is held on deposit and drawn down when expenditure is incurred.

6.4 Other provisions

	2026 $'000	2025 $'000
Current provisions		
Make-Good provision	50	220
Total current provisions	**50**	**220**
Non-current provisions		
Make-Good provision	2,205	1,738
Total non-current provisions	**2,205**	**1,738**
Total provisions	**2,255**	**1,958**

Other provisions are recognised when Victoria Legal Aid has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

The make-good provision is recognised in accordance with the lease agreement to restore the premises to its original condition at the end of the lease term.

7 How we financed our operations

Introduction

This section provides information on the sources of finance utilised by Victoria Legal Aid during its operations and information on current commitments for expenditure and other information related to financial activities of Victoria Legal Aid.

This section includes disclosures of balances that are financial instruments (such as cash balances). Note 8.1 provides additional, specific financial instrument disclosures.

Structure

7.1 Leases

7.2 Cash flow information and balances

7.3 Commitments for future expenditure

7.1 Leases

	2026 $'000	2025 $'000
Current leases		
Lease liabilities[(i)]	8,177	8,234
Total current leases	**8,177**	**8,234**
Non-current leases		
Lease liabilities[(i)]	18,310	25,903
Total non-current leases	**18,310**	**25,903**
Total leases	**26,488**	**34,137**

(i) Secured by the assets leased. Leases liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Terms and conditions of lease liabilities

			Maturity dates				
2026	**Weighted average interest rate (%)**	**Carrying amount $'000**	**Nominal amount $'000**	**Less than 1 month $'000**	**1 - 3 months $'000**	**3 months - 1 year $'000**	**1 - 5 years $'000**	**> 5 years $'000**
Lease liabilities	6%	26,488	28,616	-	2,318	6,829	18,871	598
Total		**26,488**	**28,616**	**-**	**2,318**	**6,829**	**18,871**	**598**
2025								
Lease liabilities	4%	34,137	37,553	-	2,427	6,926	27,380	820
Total		**34,137**	**37,553**	**-**	**2,427**	**6,926**	**27,380**	**820**

Interest expense

	2026 $'000	2025 $'000
Interest on lease liabilities	1,330	1,683
Total interest expense	**1,330**	**1,683**

Interest expense consists of the interest component of lease repayments and is recognised in the period in which it is incurred.

7.1.1 Right-of-use assets

Victoria Legal Aid leases various properties, equipment and motor vehicles. The lease contracts are typically made for fixed periods of 1-13 years with an option to renew the lease after that date. Information about leases for which Victoria Legal Aid is a lessee is presented below. Right-of-use assets are presented in note 5.1(a).

Recognition and measurement of leases as a lessee

For any new contracts entered into, Victoria Legal Aid considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition Victoria Legal Aid assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to Victoria Legal Aid and for which the supplier does not have substantive substitution rights;
- Victoria Legal Aid has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and Victoria Legal Aid has the right to direct the use of the identified asset throughout the period of use; and
- Victoria Legal Aid has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use.

Lease liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or at Victoria Legal Aid incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments (including in-substance fixed payments);

- variable payments based on an index or rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and

- payments arising from renewal and termination options reasonably certain to be exercised.

Lease liability – subsequent measurement

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right of use asset is already reduced to zero.

	Minimum future lease payments[(i)]	
	2026 $'000	2025 $'000
Future lease payments		
Not longer than 1 year	9,147	9,353
Longer than 1 year but not longer than 5 years	18,871	27,380
Longer than 5 years	598	820
Minimum future lease payments (i)	**28,616**	**37,553**
Less future finance charges	**2,128**	**3,416**
Present value of minimum lease payments	**26,488**	**34,137**

(i) Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.

7.2 Cash flow information and balances

7.2.1 Cash and cash deposits

Cash and deposits, including cash equivalents, comprise cash on hand and cash in banks.

The cash at bank balance:

- is not all discretionary and need to be carefully managed to ensure we meet our existing commitments of $100.4 million (inclusive of GST) which is incurred over multiple years. This includes grants of legal assistance of up to $ 77.6 million (inclusive of GST) million which have already been approved and committed to but where the work has not been completed, reflected in note 7.3; and
- includes funds, which are non-discretionary in nature, received for one off and specific initiative with commitments in future years and for the replacement of assets to ensure we can continue to meet service demands and protect the safety and wellbeing of staff.

For cash flow statement presentation purposes, cash and cash equivalents includes cash at bank and cash deposit on the balance sheet, as indicated in the reconciliation below and excludes funds on deposit for IBAC matters.

	2026 $'000	2025 $'000
Cash at bank	80,637	103,912
Funds on deposit for IBAC matters	1,191	1,191
Administered funds	(629)	(397)
Total cash at bank and cash deposit	**81,199**	**104,706**

Funds on deposit for IBAC matters

Funds are kept for the purpose as detailed in note 6.3.

7.3 Commitments for expenditures

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

Total commitments payable

Nominal amounts 2026	Less than 1 year $'000	1 - 5 years $'000	> 5 years $'000	Total
Capital expenditure payable	10,500	3,106	-	13,606
Intangible assets commitments payable	3,205	2,320	-	5,525
Other commitments payable	2,144	1,539	-	3,683
Approved grants of legal assistance[(i)]	61,831	15,786	-	77,617
Total commitments (inclusive of GST)	**77,680**	**22,751**	**-**	**100,431**
Less GST recoverable	7,062	2,068	-	9,130
Total commitments (exclusive of GST)	**70,618**	**20,683**	**-**	**91,301**

2025	Less than 1 year $'000	1 - 5 years $'000	> 5 years $'000	Total
Capital expenditure commitments payable	1,524	123	-	1,647
Intangible assets commitments payable	1,129	1,891	-	3,020
Other commitments payable	1,783	1,025	-	2,808
Approved grants of legal assistance[(i)]	57,405	15,091	-	72,496
Total commitments (inclusive of GST)	**61,841**	**18,130**	**-**	**79,971**
Less GST recoverable	5,622	1,648	-	7,270
Total commitments (exclusive of GST)	**56,219**	**16,482**	**-**	**72,701**

(i) The approved grant of legal assistance reflects the estimated cost to provide the remaining legal services for grants committed in current and previous financial years. The final cost may be more or less than the amount disclosed due to the nature and progress of the matter.

8 Financial instruments, contingents and valuation judgements

Introduction

It is often necessary for Victoria Legal Aid to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for Victoria Legal Aid related mainly to fair value determination.

Structure

8.1 Financial instruments specific disclosures

8.2 Contingent assets and contingent liabilities

8.3 Fair value determination

8.1 Financial instruments specific disclosures

Introduction

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of Victoria Legal Aid's activities, certain financial assets and financial liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

Categories of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by Victoria Legal Aid to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interest.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

Victoria Legal Aid recognises the following assets in this category:

- cash and deposits; and
- receivables (excluding statutory receivables).

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- Victoria Legal Aid retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- Victoria Legal Aid has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset; or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where Victoria Legal Aid has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of Victoria Legal Aid's continuing involvement in the asset.

Categories of financial liabilities

Financial liabilities at amortised cost

Financial liabilities measured at amortised cost are initially recognised on the date they originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the net result over the period of the interest bearing liability, using the effective interest rate method. Victoria Legal Aid recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- lease liabilities.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flows' in the comprehensive operating statement.

2026	Carrying amount $'000	Net gain/ (loss) $'000	Total interest income/ (expense) $'000	Fee income/ (expense) $'000	Impairment gain/(loss) $'000
Financial assets at amortised cost					
Cash and deposits	81,199	-	4,872	-	-
Trade receivables[(i)]	17,360	-	-	-	(1,152)
Total financial assets at amortised cost	**98,559**	**-**	**4,872**	**-**	**(1,152)**
Financial liabilities at amortised cost					
Trade payables[(i)]	21,442	-	-	-	-
Borrowings					
Lease liabilities	26,488	-	1,330	-	-
Total contractual financial liabilities	**47,930**	**-**	**1,330**	**-**	**-**
2025					
Financial assets at amortised cost					
Cash and deposits	104,706	-	6,545	-	-
Trade receivables[(i)]	14,613	-	-	-	173
Total financial assets at amortised cost	**119,319**	**-**	**6,545**	**-**	**173**
Financial liabilities at amortised cost					
Trade payables[(i)]	23,986	-	-	-	-
Borrowings					
Lease liabilities	34,137	-	1,683	-	-
Total contractual financial liabilities	**58,123**	**-**	**1,683**	**-**	**-**

(i) The carrying amounts disclosed here exclude statutory amounts (e.g. GST recoverable/payable).

8.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity
- present obligations that arise from past events but are not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations or the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

Non-quantifiable contingent liabilities

A number of potential obligations are non-quantifiable at this time arising from:

- indemnities provided in relation to transactions, including financial arrangements and consultancy services, as well as for directors and administrators;

- performance guarantees, warranties, letters of comfort and the like;

- deeds in respect of certain obligations; and

- unclaimed monies, which may be subject to future claims by the general public against the State.

Victoria Legal Aid does not have any contingent assets, contingent liabilities or claims of a material nature at 30 June 2026 which have not already been disclosed in these financial statements (2025: Nil).

8.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of Victoria Legal Aid.

This section sets out the information on how Victoria Legal Aid determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Buildings, plant and equipment are carried at fair value, with the exception of right-of-use assets arising under AASB 16, which are measured using the cost model.

Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Victoria Legal Aid determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer General Victoria (VGV) is Victoria Legal Aid's independent valuation agency. In conjunction with VGV, Victoria Legal Aid monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- valuation techniques; and
- details of significant assumptions used in the fair value determination.

8.3.1 Fair value determination: Non-financial physical assets

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 *Fair Value Measurement* by adding Appendix F Australian implementation guidance for not-for-profit public sector entities. Appendix F explains and illustrates the application of the principles in AASB 13 *Fair Value Measurement* on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process whichever is earlier.

Victoria Legal Aid currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the current reporting period.

All financial assets of Victoria Legal Aid are categorised at level 1 except receivables which is categorised at level 2.

All financial liabilities of Victoria Legal Aid are categorised at level 3 except funds deposit ion IBAC matters is categorised at level 1.

The last scheduled full independent valuation of Victoria Legal Aid's non-financial physical assets was undertaken by the Valuer-General Victoria (VGV) in 2021. The next scheduled revaluation was due to take place in 2025–26, however on 13 August 2025, Victoria Legal Aid obtained approval from the DTF for a one-off deferral of the scheduled formal revaluation.

As a result, the next formal revaluation will be conducted in 2026-27 which is still in line with FRD 103 requirements, where Victoria Legal Aid will incorporate Appendix F during this revaluation, and all future annual fair value assessments will continue to be conducted in accordance with Appendix F of AASB 13.

For all assets measured at fair value, Victoria Legal Aid considers the current use is the highest and best use.

Information technology equipment excluding intangibles and is held at fair value. When equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

Furniture, fixtures and fittings is held at fair value. When furniture, fixtures and fittings is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

Motor Vehicles are valued using the current replacement cost method. Victoria Legal Aid acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Office machines and equipment are held at fair value. When office machines and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method.

Cultural assets refer to artwork that is valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

There were no changes in valuation techniques throughout the period to 30 June 2026.

Description of significant assumptions applied to fair value measurements

Asset	Valuation techniques[(i)]	Significant assumption[(i)]	Range (weighted average)[(i)]
Leasehold improvements	Current replacement cost	Cost per improvement	$322 - $2,495,007 ($78,080)
		Lease term of buildings	3-13 years (5 years)
Cultural	Market approach	Comparable sale price per unit	$50 - $16,000 ($1,910)
Furniture, fixtures and fittings	Current replacement cost	Cost per Unit	$2,156 - $33,471 per unit ($4,695)
		Useful life of furniture, fixtures and fittings	(10 years) 10 years
Information technology and equipment	Current replacement cost	Cost per Unit	$531 to $222,046 per unit ($15,169)
		Useful life of information technology	3 years (3 years)
Intangible	Current replacement cost	Cost per Unit	$362 - $6,571,197 per unit ($209,388)
		Useful life of intangibles	3-10 years (8 years)
Office machine and equipment	Current replacement cost	Cost per Unit	$3,988 to $38,753 per unit ($11,482)
		Useful life of Office machine and equipment	6-10 years (6 years)

(i) Illustrations on the valuation techniques and significant assumptions and unobservable inputs are indicative and should not b e directly used without consultation with entities' independent valuer.

9 Other disclosures

Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

9.1 Ex-gratia expenses

9.2 Other economic flows included in net result

9.3 Changes in accounting policy

9.4 Responsible persons

9.5 Remuneration of executives

9.6 Related parties

9.7 Remuneration of auditors

9.8 Subsequent events

9.1 Ex-gratia expenses

Ex-gratia expenses are the voluntary payments of money or other non-monetary benefit (e.g. a write-off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability of or claim against the entity.

Victoria Legal Aid made total ex-gratia payments of $0.29 million during the period upon termination of employment (2025: $0.12 million).

9.2 Other economic flows included in net results

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions.

	2026 $'000	2025 $'000
Other economic flows		
Net gains/(losses) on non-financial assets		
Net gains/(losses) on disposal of property, plant and equipment	29	304
Net actuarial gains/(losses) on receivable amounts		
Net actuarial gains/(losses) of secured client contributions receivables– net present value[(i)]	(314)	4
Net actuarial gains/(losses) on impairment of unsecured client contribution receivables[(i)]	(838)	169
Total net actuarial gains/(losses) on recoverable amounts	**(1,152)**	**173**
Net gains/(losses) arising from other economic flows		
Net gains/(losses) arising from revaluation of long service leave liability due to changes in discount bond rates and staff retention	(654)	(290)
Total other economic flows	**(1,777)**	**186**

(i) Including increase/(decrease) in provision for doubtful debts and bad debts from other economic flows – refer to note 6.1.

9.3 Change in accounting policy

Right-of-use assets

Victoria Legal Aid has made a change in accounting policy to change the measurement basis from the revaluation model to the cost model for the subsequent measurement of right-of-use assets arising from market leases, in accordance with the updated requirements under FRD 104.

Previously, Victoria Legal Aid had measured all right-of-use assets arising from market leases using the revaluation model under AASB 13. Following the change in accounting policy, it will measure all right-of-use assets using the cost model. Right-of-use assets measured using the cost model are held at cost less accumulated depreciation and impairment and any adjustments for remeasurement of lease liability. Periodic revaluations are not required; however, the cost model requires annual impairment assessments in accordance with AASB 136.

Upon adoption of the cost model, Victoria Legal Aid has applied a modified retrospective approach. The approach takes the right-of-use asset's carrying amounts recorded under the revaluation model as at 30 June 2025 as the right-of-use asset's opening balances on application of the cost model.

Accordingly, the comparative information presented is not restated and is reported at the previously determined fair value

Right-of-use assets arising from significantly below market leases

Victoria Legal Aid does not have any right-of-use assets arising from significantly below-market leases, including peppercorn leases and thus is not impacted by this accounting policy change.

Impact on financial statements

On transition to the cost model, there was no impact on Victoria Legal Aid's financial statements. No impairment was identified by Victoria Legal Aid for the right-of-use asset held as at 30 June 2026.

9.4 Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the *Financial Management Act 1994* (FMA), the following disclosures are made regarding responsible persons for the reporting period.

Names

The persons who held the positions of Ministers and Accountable Officer in Victoria Legal Aid are as follows:

Responsible ministers

The Hon. Sonya Kilkenny, MP	Victorian Attorney-General	1 July 2025 to 30 June 2026
The Hon. Enver Erdogan , MP	Acting Victorian Attorney-General	20 September 2025 to 28 September 2025
		28 December 2025 to 11 January 2026

Responsible Body and Board

Mr Bill Jaboor	Chairperson	1 July 2025 to 28 February 2026
Ms Llewellyn Prain	Chairperson	1 March 2026 to 30 June 2026
Ms Llewellyn Prain	Director	1 July 2025 to 28 February 2026
Mr Andrew Saunders	Director	1 July 2025 to 30 June 2026
Ms Christine Christian	Director	1 October 2025 to 30 June 2026
Ms Clare Morton	Director	1 July 2025 to 30 June 2026
Ms Elly Patira	Director	1 July 2025 to 30 June 2026
Ms Robbie Campo	Director	1 July 2025 to 18 October 2025
Ms Tal Karp	Director	1 July 2025 to 30 June 2026

Accountable Officer

Toby Hemming	Chief Executive Officer	1 July 2025 to 30 June 2026
Cameron Hume	Acting Chief Executive Officer	29 December 2025 to 4 January 2026
Peter Noble		12 January 2026 to 25 January 2026
Joanna Fletcher		26 June 2026 to 30 June 2026

Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of Victoria Legal Aid during the reporting period was in the range: $510,000 - $520,000 (2025: 480,000 – $490,000).

9.5 Remuneration of executives

The number of senior executive service officers, other than Ministers and the accountable officer, and their total remuneration during the reporting period are shown in the table on the following page. Total annualised employee equivalents provides a measure of full time equivalent Senior Executive Service officers over the reporting period.

Remuneration comprises employee benefits (as defined in AASB 119 *Employee Benefits*) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered. Accordingly, remuneration is determined on an accrual basis.

The increase in executive remuneration reflects salary adjustments in line with Victorian Public Service (VPS) guidance and changes in the composition of the executive cohort during the year.

	Total remuneration	
	2026 $'000	2025 $'000
Total remuneration	4,820	4,242
Total number of executives[(i)]	19	19
Total annualised employee equivalents[(ii)]	17.7	17.7

(i) The total number of Senior Executive Service officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 Related Party Disclosures and are also reported within the related parties note disclosure (refer to note 9.6). Where necessary prior year comparatives have been changed.

(ii) Annualised employee equivalent is based on the time fraction worked over the reporting period. Where necessary prior year comparatives have been changed.

9.6 Related parties

Victoria Legal Aid is a statutory authority and a controlled entity of the State of Victoria.

Related parties of Victoria Legal Aid include:

- all key management personnel and their close family members and personal business interests;
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financials.

All related party transactions have been entered into on an arm's length basis.

Key management personnel

Key management personnel of Victoria Legal Aid as at 30 June 2026 includes, Minister, board members and the executive management group of Victoria Legal Aid.

Key management personnel	Position title
Ms Llewellyn Prain	Chairperson
Ms Clare Morton	Director
Ms Elly Patira	Director
Ms Tal Karp	Director
Ms Christine Christian	Director
Mr Andrew Saunders	Director
Mr Toby Hemming	Chief Executive Officer and Accountable Officer
Mr Cameron Hume	Chief Operating Officer
Ms Joanna Fletcher	Executive Director - Family, Youth and Children's Law
Ms Kate Bundrock	Executive Director - Criminal Law
Ms Melissa Harrison	Acting Executive Director - Barring-ga Balert - First Peoples Services
Mr Peter Noble	Executive Director - Regions and Service Delivery
Ms Sonia Law	Acting Executive Director - Legal Practice, Civil Justice and Legal Help

Remuneration of key management personnel

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial Report.

	2026 $'000	2025 $'000
Compensation of Key Management Personnel	2,416	2,351
Total[(i)]	**2,416**	**2,351**

(i) Note that KMPs are also reported in the disclosure of Responsible Persons (Refer to note 9.4) and Remuneration of Executives (Refer to note 9.5).

Significant transactions with government-related entities

Victoria Legal Aid received funding from and made payments to the Consolidated Fund during the year. Victoria Legal Aid had the following government-related entity transactions:

	2026 $'000	2025 $'000
Receipts		
Commonwealth Grants		
National Legal Assistance Partnership Agreement	75,125	59,871
Attorney-General Department	245	459
Specific initiative grants	4,973	17,806
Total Commonwealth Grants	**80,343**	**78,136**
State Grants		
Base funding - Department of Justice and Community Safety	138,278	136,830
Community Legal Centres - Department of Justice and Community Safety	179	28,626
Total State Grants[(i)]	**138,457**	**165,456**
Specific Initiative Grants		
Department of Justice and Community Safety	1,241	9,352
Department of Justice and Community Safety - community legal centres	5,148	7,167
Department of Jobs, Precincts and Regions - community legal centres	300	876
Department of Health and Human Services	12,712	15,366
Department of Health and Human Services - community legal centres	2,269	2,140
Department of Premier and Cabinet	-	84
Total Specific project grants	**21,670**	**34,985**
Total grants	**240,470**	**278,577**
Public Purpose Funds		
Public Purpose Fund - base funding	120,138	56,353
Public Purpose Fund - initiative funding	2,030	6,488
Total[(iii)]	**122,168**	**62,841**
Total receipts from government-related entities[(ii)]	**362,638**	**341,418**
Payments		
Community legal centres[(iii)]	41,275	38,625

(i) Variance primarily reflects a reclassification of additional service expansion funding approved in previous years to base funding reflecting the nature of the funding to support ongoing service delivery

(ii) Increased funding this year reflects a temporary change to funding arrangements for some State funded services in 2025-26 in note 2.2

(iii) Excludes Commonwealth grants recorded as administered (non-controlled items). See note 4.

Transactions and balances with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with Victorian public sector in a manner consistent with other members of the public e.g. stamp duty and other government fees and charges. Further employment processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions consistent with the Victorian Government Purchasing Board requirements.

Outside of normal citizen type transactions, there were no related party transactions that involved key management personnel, their close family members and their personal business interests. No provision has been required, nor any expense recognised, for impairment of receivables from related parties.

9.7 Remuneration of auditors

	2026 $'000	2025 $'000
Victorian Auditor-General's Office		
Audit of the financial statements	70	67
	70	**67**

9.8 Subsequent events

There are no other matters or circumstances that have arisen since 30 June 2026 that have significantly affected or may significantly affect the operations, or results, or state of affairs of Victoria Legal Aid.

08 Disclosure index

Our annual report is prepared in accordance with all relevant Victorian legislation. This index enables identification of our compliance with statutory disclosure requirements, including Financial Reporting Directions (FRDs) and Standing Directions (SDs).

Ministerial directions

Operations report – FRDs and guidance

Charter and purpose

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Management and structure

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Financial and other information

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09 Contact details

Main reception

Level 9, 570 Bourke Street
Melbourne VIC 3000

Wurundjeri Country

Postal: GPO Box 4380, Melbourne VIC 3001

Telephone: (03) 9269 0234

www.legalaid.vic.gov.au

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Language	Phone number
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